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Listen, Keynesians!

THE EDITORS

Suppression of the Polish Workers Movement

PAUL M. SWEEZY

Captivity of the Press

S. B. O. GUTTO

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NOTES FROM THE EDITORS

Next month's (February) issue of MR will carry an important article entitled "Double Consciousness and the Cultural Politics of F. O. Matthiessen," by Leo Marx, a student and close friend of Matthiessen in the 1930s and 40s at Harvard, who is now teaching in MIT's Program in Science, Technology, and Society. As many of you are aware, the founding of MR in 1949, as the hysteria of the Cold War-McCarthy period rapidly gained headway, was made possible by financial assistance from Professor Matthiessen. Against this background we are glad to be able to report to MR readers that a Matthiessen memorial has recently been established at Harvard by his friends in the form of The Matthiessen Room, his old tutorial suite in Eliot House which has been set aside to house his several-thousand book library and other memorabilia, and to serve as a guest room for short-term visits to the Cambridge area by scholars, writers, artists, or other interested persons. Those interested in the availability of the Matthiessen Room should contact the keeper of the room, George Abbott White, Eliot House J-11, Harvard University, Cambridge MA 02138 (telephone: 617-495-5821). (*Continued on inside back cover*)

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LISTEN, KEYNESIANS!

There is a remarkable consensus among economists of all ideological and political persuasions—conservative, liberal, and radical—that capitalist economies must grow to be healthy, and that the key to growth lies in the capital accumulation or savings-and-investment process.

Accepting this view, we have long been arguing in effect that capitalism, like living organisms, undergoes a natural aging process from birth through adolescence to maturity. In the early period when society's capital stock—mostly means of production and transportation—is being built up from scratch, the opportunities for capital accumulation appear to be virtually unlimited. The more resources that can be diverted from the production of consumer goods (savings), the more can be devoted to production of means of production (investment). Growth is rapid, interrupted only by financial blockages and demand-and-supply disproportionalities. After these blockages and disproportionalities have been eliminated (a function performed by crises and depressions), accumulation and growth resume what soon comes to be assumed to be their normal course.

So it was during capitalism's youth. This was also of course the period of the rise and refinement of political economy (later called economics) as the science of capitalism's laws and tendencies, a period which can be dated from the time of Adam Smith in the last quarter of the eighteenth century to that of Alfred Marshall, which extended into the third decade of the twentieth century. With negligible exceptions the economists of this period, reflecting the historical reality around them, saw vigorous growth as the essential characteristic of the system and

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interruptions of growth as a temporary and self-correcting illness.*

In this vision of capitalism, there was no need for a special theory of the demand side of the investment process. The presence of what was for all practical purposes an unlimited demand for additional means of production could be taken for granted. The determination of the actual rate of accumulation was therefore shifted entirely to the supply side of the equation. Marshall's handling of the problem was fairly typical. In a 20-page chapter entitled "The Growth of Wealth," he devoted less than a page to the demand for capital and most of the rest to the supply of savings. On the former he said in part:

> As civilization has progressed, man has always been developing new wants, and new and more expensive ways of gratifying them. The rate of progress has sometimes been slow, . . . but now we are moving on at a rapid pace that grows quicker every year; and we cannot guess where it will stop. On every side further openings are sure to offer themselves, all of which will tend to change the character of our social and industrial life, and to enable us to turn to account vast stores of capital in providing new gratifications and new ways of economizing effort by expending it in anticipation of distant wants. There seems to be no good reason for believing that we are anywhere near a stationary state in which there will be no new important wants to be satisfied; in which there will be no more room for profitably investing present effort in providing for the future, and in which the accumulation of wealth will cease to have any reward. (Alfred Marshall, *Principles of Economics,* 8th edition, 1920)

The belief in the existence of an unlimited demand for

* Some students of the history of economic thought might contend that the preceding summary is contradicted by the forebodings of the classical economists beginning with Ricardo and Malthus, which earned early nineteenth-century political economy its reputation as the "dismal science." This is more apparent than real, however. These thinkers, Ricardo foremost among them, argued on the basis of two presumed natural laws, the law of diminishing returns and the Malthusian law of population, that the accumulation of capital would eventually run out of steam because wages and rent would so far eat into profits as to leave capitalists with neither the wherewithal nor the incentive to continue accumulating. It is important to recognize that there was a very strong political-ideological element in this argument: it was more or less deliberately designed to bolster the case for free trade. The abrogation of the corn laws (agricultural protectionism) would effectively repeal the law of diminishing returns as far as England was concerned and thus liberate the accumulation process from its shackles. This goal was attained in 1846, after which the economists stopped worrying about threats to the future growth of capitalism.

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additional capital goods has survived to this day in textbooks, popular economic writings, and most strikingly in the supply-side theory which provides the ideological rationalization for the Reagan administration's economic policies. According to this theory, the malfunctioning of the U.S. economy in recent years stems from too much spending and not enough saving, a combination which is supposed to have produced a low growth rate, with its attendant evils of stagnation, falling profits, rising unemployment, and all the rest.

But at just about the time Alfred Marshall was issuing the eighth and final edition of his famous *Principles,* capitalism was well into a transitional period from adolescence to maturity, climaxed by the post-First World War boom of the 1920s in the United States, by then the world's leading capitalist nation. This boom, like others before it, was fueled by a surge of investment, this time especially in the automobile and related sectors (oil, rubber, glass, highway construction, suburban housing). But the boom also displayed new features reflecting fundamental economic changes. Most important were (1) the burgeoning of consumer credit as a booster to the final demand for the products of these leading industries, and (2) a gradual downdrift of the manufacturing capacity utilization rate after 1925. These were clear signs that despite the injection of strong debt-generated demand for consumer goods, the rate of investment which powered the boom of the 1920s was unsustainable. The crisis of 1929 was a crisis of *overaccumulation.*

Previous capitalist crises had also involved overaccumulation in the sense that investment in the preceding booms had, for largely speculative-financial reasons, outrun demand. But this imbalance between investment and demand in earlier crises turned out to be a temporary phenomenon. After a period of deflation and price readjustments, the investment process resumed its stimulative role: the conventional wisdom which took for granted an unlimited underlying demand for investment was thus empirically supported and became ever more firmly entrenched.

That there was something fundamentally different about the crisis of 1929, that in this case overaccumulation was more than a temporary phenomenon and in fact marked a decisive change in the functioning of the system—this was not apparent

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to anyone in the early years of the Great Depression. It is hardly an exaggeration to say that the entire economics profession at the time expected growth, rooted in the accumulation process, to resume as it always had in the past.* To be sure it was soon recognized that the downturn precipitated by the crisis was unusually sharp and that the recovery would probably be slow and lengthy. But that had happened before—in the 1870s and 1890s—and it was not hard to find what seemed to be satisfactory explanations in the unique events surrounding the First World War and its aftermath.

What finally drove home the message that things really had changed, that (in our metaphor) capitalism's transition from adolescence to maturity had been completed, was the recession of 1937-38. This event was quite unprecedented. It was not a mere short-term setback but a sudden and steep decline at a time when the upswing from the depression which began in 1933 still had a long way to go to reach what by the standards of past business cycles could be considered full recovery. The unemployment statistics tell the essential story. The peak rate of unemployment was registered in 1933 at 24.9 percent of the labor force. This declined by 1937 to 14.3 percent, and then jumped up again to 19.0 percent in 1938. What these figures describe was at the time something new under the capitalist sun—a steep recession in the midst of a deep depression.

How could this be explained? No one had any doubt about the proximate cause—the breakdown of the capital accumulation process. In the first years of the depression net investment not only disappeared, it was actually replaced by net disinvestment, i.e., the using up of more capital than was produced. And such positive investment as did take place in the recovery beginning in 1933 was mainly to replace what had been lost. When this was accomplished, the steam went out of the process again, precipitating the relapse of 1937-38.

Not surprisingly, a generation of economists brought up on the assumption of an unlimited demand for investment (as ex-

* This comes through very clearly in two detailed studies of the period: William E. Stoneman, *A History of the Economic Analysis of the Great Depression in America* (New York: Garland Publishing, 1979); and Dean L. May, *From New Deal to New Economics: The American Liberal Response to the Recession of 1937* (New York: Garland Publishing, 1981). These books will be reviewed in a later issue of MONTHLY REVIEW.

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emplified in the above-quoted passage from Alfred *Principles of Economics*) was at a loss to accou... strange goings-on. Could the trouble be not in the *demand* for real investment but in the *supply* of money capital to finance investment? Hardly. That finance was available was evident from the fact that interest rates had fallen to purely nominal levels (treasury-bill rates were 0.14 percent and the Federal Reserve rediscount rate was 1.50 percent in 1936); and any real pickup in the rate of investment would have boosted corporate profits, thus generating the funds for further investment.

What the recession of 1937-38 revealed was thus the total inability of bourgeois economic theory to cope with the new phenomenon of capitalist maturity. We repeat: underlying this theory insofar as it related to economic growth and the nature of economic fluctuations, was the (usually implicit) assumption of an unlimited demand for investment. Given this assumption, interruptions of growth could be caused only by failure of the institutional (financial, governmental) mechanism of the system to function properly. The very idea that such interruptions might flow from the inherent logic of the system itself rather than from the faulty functioning of its mechanism was ruled out in advance.

The first serious challenge to this deeply ingrained orthodoxy came in the form of Keynes's *General Theory of Employment, Interest, and Money,* published in 1936, i.e., shortly before the recession which began late the following year. Although it has not been widely recognized, it was this feature of the *General Theory* which more than anything else marked it as a turning point in the development of bourgeois economic theory. For the first time the possibility was frankly faced, indeed placed at the very center of the analysis, that breakdowns of the accumulation process, the heart and soul of economic growth, might be built into the system and non-self-correcting. The stage was thus set for a sweeping reconsideration of the whole theory of investment.

What the *General Theory* dealt with as a theoretical problem was posed as an intensely practical problem by the recession of 1937-38. The combination sent shock waves through the economics profession, touching off a debate that could and should have developed into the most searching and significant

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intellectual confrontation the United States had experienced since the anti-slavery struggle of a century earlier. The debate was initiated by the publication in 1938 of Alvin Hansen's *Full Recovery or Stagnation?*, and the issue was joined the following year in the second volume of Joseph A. Schumpeter's monumental treatise on *Business Cycles*.* Hansen and Schumpeter were probably the two most prestigious American economists of the 1930s, and the fact that they took the lead in debating this most crucial of all current economic problems seemed to guarantee that one of those "splendid tournaments" in the history of economic thought of which Marx had written was about to take place.**

But it was not to be. Ominous war clouds gathered over Europe in 1938 (Hitler annexed Austria in March, and the Munich Pact sacrificing Czechoslovakia was signed in September), and the outbreak of hostilities in 1939 completed the shift of attention, in the United States as elsewhere, from depression to war preparation. It soon turned out that the two were alternatives not only as objects of public attention but in practice as well. The unemployment rate which remained over 17 percent in 1939 dropped rapidly thereafter until it reached its wartime low of 1.2 percent in 1944.

Not surprisingly, the debate which had begun so auspiciously in the wake of the recession of 1937-38 receded into the background and died out completely after the war. The all but total lack of attention paid by the economics profession to Josef Steindl's penetrating work *Maturity and Stagnation in American Capitalism* (1952) proved, if indeed proof was needed, that the trauma of the 1930s had been forgotten. It is not true, however, that Keynes was forgotten. What did happen in the new postwar conditions was that the emphases of Keynesian theory, as it had been interpreted by Hansen and his followers in the 1930s, were drastically revised. The problem of the long-run demand for investment, on which Keynes's views were very different from those of Marshall, gave way to concern over fluc-

* See "Why Stagnation?" in this space in MR, June 1982.

** Preface to the second edition of volume 1 of *Capital*. Marx was referring specifically to the "quarrel between industrial capital and aristocratic landed property," which elicited the participation of England's outstanding economic thinkers in the decade of the 1820s.

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tuations in demand for investment in the course of the business cycle. And Keynes's great achievement was now seen not as a highly original contribution to the understanding of capitalism's basic *modus operandi* but as the invention of a set of clever recipes to counteract the ups and downs of the business cycle. In the depression phase monetary policy should aim to lower interest rates, while fiscal policy should deliberately create government deficits in order to stimulate aggregate demand for goods and services, the market being left to determine which goods and services and in what proportions. In the prosperity phase of the cycle this policy mix should be reversed to forestall "overheating" of the economy (a favorite expression): interest rates should be increased, government spending reduced, and taxes raised, with the resulting budgetary surplus being used to repay the debt incurred to finance the preceding deficit.

This was the gist of what gradually came to be called the "new economics." Joan Robinson and some others among Keynes's followers from an earlier period called it Bastard Keynesianism.

The reason why the emerging debate of the 1930s was interrupted and forgotten while Keynes was being turned into a quite ordinary purveyor of business-cycle remedies is obvious: for some three decades after the beginning of the Second World War capitalism seemed to have recaptured its youth.* Recessions were mild, and after every setback investment bounced back at least as vigorously as during any comparable period in the earlier history of capitalism. The old orthodoxy of the unlimited demand for investment, which had been briefly challenged in the 1930s but never overthrown, simply reasserted itself as an unstated axiom of the new economics. The truth is that, apart from claims to be able to control the business cycle, the new economics is fundamentally no different from the old economics. And when the problems of the 1930s—the breakdown of the accumulation process, the onset of stagnation, the soaring of unemployment—began to reappear in the 1970s, the new economists showed themselves to be as helpless as their pre-Second World War ancestors.

* We have discussed the reasons for this many times in this space. The most recent, very brief summary appears in "Why Stagnation?" referred to in the footnote on p. 6.

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One consequence of this failure of the new economics was to open the door to the inane dogmas of monetarism and supply-side economics and their misbegotten offspring, Reaganomics. Put into practice—to the extent that a combination of incompatible and contradictory policy prescriptions can be put into practice—this monstrosity has made matters worse and looks like continuing to do so for at least another two years. The other main consequence is that the large body of respectable and respected economists who are too intelligent and/or too honest to buy the rubbish that has to be taken seriously in Washington these days are at a loss to offer meaningful advice to policy-makers or to contribute to the formation of an intelligent public opinion on many of the most important issues of our time.

Just how bad the situation has become is well illustrated by the effort of one of the best of the younger economists to find a way out of the impasse we have been discussing. In a remarkably outspoken article in the *New York Times* Sunday magazine section ("The Great Stagnation," October 17, 1982), Lester Thurow, Harvard-trained professor of economics at MIT, presents a grimly accurate description of the present world-wide capitalist crisis, concluding:

> All of which adds up to this: The world economy is likely to continue sinking into the quicksands. We are likely to have more of the rising unemployment and increasing financial distress we have been experiencing for the last three and a half years. There is simply no indication that the Western nations, individually or jointly, have any program or any approach that is capable of turning the tide.

What follows in the article's last paragraph, however, deserves to be awarded the prize for Anti-Climax of 1982: "From the perspective of this economist. . .the solution lies in old-fashioned Keynesian stimulus. Until we are willing to practice it, America and the world are likely to remain mired in what might be called the Great Stagnation." One rubs one's eyes in wonderment. Talk about practicing stimulus! During the 1970s, the decade in which the Great Stagnation set in, there was not one year in which the federal budget was balanced, and the aggregate deficit in the twelve years 1970-81 was over $400 billion. And the Reagan administration, for all its railing against its big-spending predecessors, has set out on a course of tax cuts for the

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rich and handouts to the Pentagon which promises to make them look like pikers: latest budget estimates project deficits of well over $200 billion a year for a long time to come. Nor is this the only kind of stimulus that has been practiced in recent years: monetary and related banking policies have been crucial ingredients in the unprecedented explosion of private debt which has characterized the entire post-Second World War period. And yet all these multifaceted forms of stimulation have dismally failed to reinvigorate the accumulation process which Thurow, like all other economists, recognizes to be the key to the health of capitalist economies.

Talk of old-fashioned Keynesian stimulus thus turns out to be as irrelevant as the nonsensical chatter of the monetarists and the supply-siders. But this doesn't mean that Keynes is irrelevant. As we noted above, his *General Theory* of 1936 set the stage for a sweeping reconsideration of the whole theory of investment. Unfortunately, this reconsideration never materialized. The late Michal Kalecki, the Polish economist who has justifiably been credited with "inventing the Keynesian revolution" before Keynes, commented on this subject shortly before his death in the following terms:

> Why cannot a capitalist system, once it has deviated downwards from the path of expanded reproduction [growth], find itself in a position of long-term simple reproduction [no growth]? In fact we are absolutely in the dark concerning what will happen in such a situation so long as we have not solved the problems of the determinants of investment decisions. Marx did not develop such a theory, nor has this been accomplished in modern economics. Some attempts have been made in the development of the theory of cyclical fluctuations. However, the problems of the determination of investment decisions involving. . .the long-run trend are much more difficult than in the case of the "pure business cycle." . . . One thing is clear to me: the long-run growth of the national income involving satisfactory utilization of equipment is far from obvious. (*Social Science Information,* December 1968)

We do not mean to suggest that what is needed is simply a "theory of the determinants of investment decisions": the problem is much broader and includes a crucially important historical dimension which has received some attention in recent years from economists attracted by the hypothesis that capitalist development during the last two hundred years or so has taken

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place in long cycles. All we are saying is that this is a much neglected and underdeveloped area of economic inquiry which can no longer be neglected by any economist who wants to be taken seriously on the most important problems of our time. As far as bourgeois economics is concerned, Keynes started it, and it would seem appropriate for his followers to take up where he left off.

But there are also other reasons why Keynes is relevant. A large part of the *General Theory* was devoted to showing how and why classical and neoclassical economics alike were wrong in assuming that there are built-in tendencies in capitalist economies to operate at full employment and hence to self-correct any deviations from full employment. But he didn't stop there. He went on to give his views on how the state in capitalist societies could and in his opinion should remedy this lack of an automatic regulatory mechanism. In the postwar period, as noted previously, Keynes's followers, or at any rate those who became the prophets of the new economics, vulgarized these opinions to the point of turning Keynesianism into a cure-all for the capitalist business cycle.

Keynes himself, however, while of course concerned with the business cycle, went much further. Anyone who will take the trouble to read the last chapter of the *General Theory* entitled "Concluding Notes on the Social Philosophy Towards Which the General Theory Might Lead," will recognize a mind that carries on in the tradition of critical bourgeois thinkers of the past—those whom Marx, in the Preface to the second edition of the first volume of *Capital* called "disinterested inquirers" as opposed to "hired prize-fighters." Keynes saw clearly that capitalism contained what in the long run was a potentially fatal flaw, and he wanted to eliminate it, not merely patch it over with a band-aid. And in pursuit of this end he was willing to contemplate reforms as radical as the far-reaching equalization of the distribution of income through the eventual elimination of rentier incomes (i.e., interest and rent), and the "somewhat comprehensive socialization of investment." He recognized that the enlargement of the functions of government which these reforms would entail "would seem to a nineteenth-century publicist or to a contemporary American financier to be a terrific en-

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croachment on individualism," a proposition which, if made today, would have to be rated a terrific understatement.

"Is the fulfillment of these ideas a visionary hope?" Keynes asked in a concluding section. "Have they insufficient roots in the motives which govern the evolution of political society? Are the interests which they will thwart stronger and more obvious than those they will serve?" To which he replied: "I do not attempt an answer in this place. It would need a volume of a different character from this one to indicate even in outline the practical measures in which they might be gradually clothed."

We are not suggesting of course that Keynes had the answers or that he would have come up with them in the sequel to the *General Theory* which never got written. What is important is that if he pursued this line of thought he would have had to confront the basic issue of the power of the ruling class. Whether he would have done so, in view of his ideological attachment to capitalism, is naturally a matter of speculation. Readers of MONTHLY REVIEW know that, in contrast to Keynes, we have an entirely different view of what it will take to liberate the enormous latent power of today's advanced economies from the stranglehold of capitalist control. But unlike the establishment economists of our time, including his latter-day followers, Keynes at least knew that there were real and deadly serious problems to be dealt with, and he was not afraid to tackle them. He was a disinterested inquirer, not a hired prize-fighter. Are there any of them left today?

Since it is not for us to create a plan for the future that will hold for all time, all the more surely what we contemporaries have to do is the uncompromising critical evaluation of all that exists, uncompromising in the sense that our criticism fears neither its own results nor the conflict with the powers that be.

—Karl Marx

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NEW LIGHT ON DEPENDENCY AND DEPENDENT DEVELOPMENT

BY ARTHUR MacEWAN

In stressing the way imperialism has perverted economic life in the poor parts of the world, Marxists have often argued that economic development would not take place in the capitalist periphery. Paul Baran, in laying the foundations for much modern Marxist analysis of development and underdevelopment, pointed out that imperialism created a class structure which blocked the development process in the periphery. He argued that the domination of society in the poor parts of the world by an alliance between local elites and international capital assured that the economic surplus would not be used to promote accumulation in those areas; instead, the surplus would either be squandered unproductively (by the local elites) or directed abroad and used to further accumulation in the already advanced capitalist nations.

Baran's basic argument received considerable elaboration from Andre Gunder Frank, Samir Amin, and the editors of MONTHLY REVIEW, from writers in the "dependency school," and from other Marxists and near-Marxists. The major insights of all these analyses centered around the recognition that capitalism is an international phenomenon in which the riches of the advanced nations and the poverty of the periphery are tied together; the rich are rich because the poor are poor and vice versa. In terms which Frank did so much to explain, while the

Arthur MacEwan teaches economics at the University of Massachusetts in Boston and is a member of the editorial board of *Dollars & Sense*. While writing this article he was supported by a fellowship from the German Marshall Fund of the United States, which of course bears no responsibility for the article's content.

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rich countries were developed, the poor countries were not *un*developed; they were *under*developed.

The whole analysis had numerous political implications. Most generally and probably most importantly, it provided a counter-argument to the position of bourgeois economists, namely, that the problem in the poor countries was an insufficient spread of capitalism, and the solution to poverty in the periphery was the more thorough penetration of capitalism. This position of bourgeois economists served as the apologetics for the activities of the growing multinational corporations and for programs advanced by imperialist governments and agencies such as the World Bank. Marxists had considerable impact arguing that capitalism was the problem, not the solution. Poor countries could not emulate the experience of the already advanced nations; whether or not capitalist devlopment had been "good" for the advanced countries, it was simply not an option for the now poor countries.

While the debates between Marxists and bourgeois social scientists have been going on, the world has, since Baran originally articulated his analysis, undergone significant changes. In the first place, decolonization spread throughout the old European empires; national liberation movements challenged imperialism in much of the periphery; and the Chinese and Cuban revolutions held out examples of an alternative to much of the Third World. All of this fit well with the Marxist analysis of underdevelopment; as capitalism failed to yield economic progress, it was being overthrown and replaced. On the other hand, in certain parts of the periphery capitalism was attaining some undeniable successes, at least in terms of economic growth and a degree of industrialization. In recent years, as decolonization has generally become neocolonialism, as national liberation movements have waned in both strength and attractiveness, and as the Chinese and Cuban revolutions have appeared less effective—and, to many, less attractive—models, capitalism's successes in the periphery have commanded more and more attention. Modern Marxist theory did not lead us to anticipate these experiences of growth and industrialization, and at the very least the theory would seem to require some modification or revision.

Bourgeois economists lost no time in advertising these "suc-

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cess stories." In some cases, of course, their advertisements were scarcely off the presses when the successes fell apart—Pakistan at the beginning of the 1970s and Iran at the end of the decade are examples. In other cases, however, the success has endured; economic growth with industrialization has proceeded as rapidly and consistently in certain areas of the periphery as it did during any period in the history of the advanced capitalist nations. While some cases might be dismissed as too small or unique to be of general importance, a few stand out as especially significant.

Among these, Brazil begs for our attention, with its population of 120 million, a land mass roughly the same as that of the United States, an overall 1960 to 1979 annual growth rate of 4.8 percent in real per capita GNP, and an industrial growth rate of almost 10 percent per year in the 1970s.[1]* What has happened in Brazil? How are we to understand the Brazilian experience of the last 20 years? What does the Brazilian experience tell us about the Marxist theory of development and underdevelopment? These are questions which Peter Evans has done a great deal toward answering in his *Dependent Development: The Alliance of Multinational, State, and Local Capital in Brazil.*** The book is an important one, providing insights on the changing nature of imperialism and the processes of development and underdevelopment. These insights are especially effective because of the detailed analysis of the Brazilian experience on which they are based; in addition, this analysis of Brazil is very useful in its own right.

Dependence and Dependent Development

Since the latter half of the nineteenth century, the dynamics of modern imperialism have set the terms for social and economic transformation—or the lack of transformation—throughout the world. Thus, as Evans stresses, imperialism is the starting point:

> Except for the inroads of socialism or state collectivism. . . , the international economy is dominated more thoroughly than ever by capitalist relations of production and exchange. Control of capi-

* Numbered notes will be found at the end of the article.

** Princeton University Press, 1979, 362 pp., index. $25.00; $6.95 paperback.

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tal internationally is still concentrated in a few industrialized countries of the West (and Japan). Production in both center and periphery is still directed toward the accumulation of capital, particularly capital controlled by the center country corporations. The political and military resources of center states are still used to preserve and maintain capital invested in the periphery. Despite all that has changed, the essential features of imperialism as it was described by Hobson and Lenin remain. (p. 50)

It is within this context that Brazilian social structure has evolved and the Brazilian economy has been transformed. At the beginning of this century, Brazil's condition was one of classic dependency. Economic life was organized around primary product export, coffee at that point in Brazil's history. For manufactured goods, the country was heavily dependent on imports. Social life was dominated by the agrarian elite (or more generally the primary product-based elites) and commercial interests; these groups along with foreign capital dominated the state. The lack of dynamic Brazilian manufacturing activity meant that the leading economic activities were not integrated or thoroughly connected with the rest of the economy. Accordingly, expansion in world demand for coffee would lead to growth of Brazil's coffee sales, but this growth did not create an impetus for development in the rest of the economy. Instead, higher income in the coffee sector resulted in growing imports of manufactured goods, and the development impulse was transmitted back to the center.

Classic dependence is usually thought of as characterized by economic stagnation. Yet, the crucial factor is not stagnation in the quantitative sense. As Evans points out, growth measured in terms of real per capita income was more rapid in Brazil during the second half of the nineteenth century than in the United States during the same period. Although in these quantitative terms Brazil's experience was not typical of classic dependence, the crucial factor in dependence is, in any case, a qualitative stagnation, a failure to form the structural foundations for the self-propelling economic and social development of the nation. Historically, such self-propelling structural change has meant, almost always, the rise of manufacturing to a central, dominating role in the economy. Without such structural change, Brazil in the early twentieth century and other classically de-

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pendent societies remained thoroughly subordinated to the accumulation process directed from the center; their economies remained weak and highly unstable. (Quantitative and qualitative stagnation are, of course, not unrelated. In fact, Brazil's economic growth during its period of classic dependency was one factor undermining the duration of qualitative stagnation.)

Today in Brazil and in some other nations traditionally part of the periphery, the defining aspects of classic dependency no longer exist. To be sure, dependency itself has not been eliminated in that these societies remain subordinate in an international accumulation process, the dynamic of which is defined primarily by events and decisions in the central capitalist nations. Yet, classic dependency has been transformed to *dependent development* "where capital accumulation and diversified industrialization of a more than superficial sort are not only occurring . . . but are dominating the transformation of [the] economy and social structure." (p. 32) The social structure and economic organization have been seriously altered. "Dependent development is a special instance of dependency, characterized by the association or alliance of international and local capital. The state also joins the alliance as an active partner. . . ." (p. 32)

The Transition to Dependent Development

Brazil's passage from classic dependence to dependent development was engendered by certain conditions peculiar to the Brazilian economy itself and by certain important changes in the operation of imperialism during the twentieth century. To begin with, when the depression of the 1930s severely cut demand in the center for the primary product exports of the periphery, it became impossible for the periphery to continue to maintain imports of manufactured goods from the center. A gap was created; where these periphery economies were organized around the flow of manufactured goods from the outside, that flow was cut off. Local capital seized the opportunity, and in Brazil and throughout most of Latin America, the 1930s and the war years saw a surge of manufacturing in so-called import-substitution activity. This general phenomenon played an important role in A. G. Frank's writings, indicating as it did that the development of the periphery was inversely related to the strength of its ties with the center.

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In general, following the 1930s and war years, Latin American economies were reintegrated into and resubordinated to the imperialist system. Industrialization had reached a higher level, but it had not transformed the nature of Latin American economies; the reintegration tended to halt such transformation. In Brazil, however, and to one degree or another in some other areas (Mexico especially), the transformation begun in the 1930s continued in spite of the reimposition of thorough imperialist domination after the Second World War.

One factor contributing to the transformation in Brazil was that during the nation's era of classic dependence Brazilian nationals had played the central role in the production of primary goods; and indigenous capital had obtained a significant toehold in manufacturing activity. Brazil was different from those countries in which such companies as United Fruit established their own plantations. As Evans points out:

> Brazil was more fortunate than many dependent nations. Its major export crop of coffee was in the hands of local rather than foreign capital. . . . Local ownership of plantations not only provided some degree of local autonomy, but more important, the possibility of local capital accumulation. A substantial part of the profits from the coffee trade found its way into the development of infrastructure and later into the process of industrialization itself. (p. 61)

Consequently, when the impetus to industrial development was provided by the conditions of the 1930s, there was a foundation on which a real transformation could begin.

A second factor in Brazil's transformation was the role of the state. Crucial state action came in two ways during the 1930s (though only after a change of governments). First, as international demand for coffee fell, the Brazilian government adopted a policy of supporting the price of coffee through direct purchases. Thus the demand for coffee within Brazil was maintained, with the result that the demand for manufactures was also maintained. Since coffee was not earning sufficient foreign exchange to allow this demand for manufactures to be met through imports, there was a strong basis for import substitution. Second, the government embraced the role of generally doing whatever was necessary to support economic growth. Under an

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ideology of "corporatism" the state began to play a direct and nationalist role in accumulation. It expanded infrastructural activities such as transport and communications, established its authority to regulate mineral exploitation, and, perhaps of greatest importance, began direct investment in steel and petroleum. The state was not simply supporting private capitalist development but was taking a leading role in Brazil's economy.

Neither private Brazilian capital nor state actions would have had the same impact or potential in a much smaller country. Brazil's great size must be counted as a third internal factor contributing to the transformation. The extent of the market in Brazil—a consequence, it should be stressed, of the rapid quantitative growth in the era of classic dependence as well as of the country's bigness per se—meant that there were innumerable niches and crannies of the economy sufficiently large for local capital to develop in, even while central industries remained dominated by foreign firms. Also, the economy was sufficiently large at this early stage for government investment in steel and petroleum to operate effectively and for the state companies to become large and powerful enterprises.

These various internal factors—a historical foundation for growth of local capital, the interventionist role of the state, and the size of the market—did not, however, in themselves transform the Brazilian economy. Certain profound changes were also beginning to take place in the operation of imperialism. One of these changes was the relative shift of investment from the center away from agriculture, extractive industries (aside from oil), and public utilities toward manufacturing. In 1929, 24 percent of the $194 million of U.S. direct investment in Brazil was in manufacturing; in 1950, 44 percent of a total of $644 million; and in 1973, 69 percent of a total of $3,199 million. This shift resulted from several factors, not least of which were Brazil's large market and growing nationalism with its consequent regulation favoring investment over trade. Also, however, the shift reflected the evolution of the (primarily U.S.-based) multinational enterprises themselves, the tremendous advances in their communications and managerial capacities, to the point where they could maintain control over a complex international network of manufacturing activities. And while external control was maintained, the growth of foreign invest-

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ment in manufacturing fed accumulation and transformation within Brazil.

Finally, and most decisively, the decline of U.S. hegemony in the international economy has altered the context and direction of Brazil's development. The significance of the changing balance of international power is most apparent in the Brazilian government's ability to regulate the terms on which foreign multinationals enter and operate. The established U.S. multinationals are now forced to vie with aggressive competitors from Japan and Europe—not to mention a growing number of U.S.-based multinationals. This situation has greatly enhanced the power of the Brazilian government to set the terms on which foreign investors operate, to force joint ventures with Brazilian partners, or to affect the content and structure of investments.[2]

In his discussion of joint ventures in Brazil by U.S.-based multinationals, Evans cites data collected by the Multinational Enterprise Project at the Harvard Business School showing that through the mid-1960s the Brazilian government did not do particularly well in getting U.S. multinationals to engage in partnerships with local capital and the state. He then comments: "Impressionistic evidence points . . . toward an increase in the propensity of multinationals to share control." (p. 206) He speculates that rapid economic growth in the mid-1970s and the rising challenge to U.S. hegemony by corporations based in other nations would allow Brazil to claim a greater share of the action. The Harvard Project has now published data covering the period through the mid-1970s which bear out Evans' speculations. In the 1973-75 period, the large U.S. firms in the Project's sample were engaged in the formation of 96 subsidiaries in Brazil; they were minority partners in 25 percent of these. In the 1967-69 and 1970-72 periods, by way of comparison, these firms accepted minority partnerships in only 5 percent and 6 percent, respectively, of the new subsidiaries they set up in Brazil.[3]

The Structure of Dependent Development

From the U.S. multinationals' point of view, the increasing role of joint venture in their Brazilian operations is not without its advantages. With their traditional mode of political influence

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on the wane, the multinationals often find partnerships with local capital and Brazilian state enterprise to be a positive component of an effective investment strategy. Moreover, joint ownership does not necessarily mean fully joint control, nor are the interests of U.S. multinationals and their Brazilian partners inconsistent on a wide range of practical matters.

Yet, as Evans argues, there certainly are conflicts of interest between the foreign-based multinationals and Brazilian state and local capital. The multinationals view their Brazilian investments as part of an international strategy designed to maximize profits for the parent corporation. While they see the world as their realm of operation, Brazilian capital sees Brazil as its realm. The multinationals are not likely to take risks in Brazil when safer opportunities are available elsewhere. Brazilian capital, with less ready access to the opportunities elsewhere, is more likely to take the risks. Such a divergence of interests has implications not only for the allocation of investment in general, but for the particular structure of new activity as well. Most important, the multinationals are loath to invest in research and development away from the home base of the parent company, while Brazilians tend to see local research and development as the basis for their own success. Such conflicts are, of course, conflicts over control and over the long-run direction of development. That Brazilians have been able to limit and modify the strategies of the multinationals has facilitated development. That the multinationals retain an extremely strong position on the matter of control has maintained Brazil's dependence.

The three-way alliance at the core of dependent development in Brazil may attenuate the division between foreign and local capital, but the division continues to exist. Consequently, the alliance is an interesting balancing game—and not necessarily a very stable balancing game at that. Each of the partners has certain resources that give it strength in the relationship, but the relationship varies a good deal across the economy and over time.

There are certain sectors of the economy that are predominantly in the hands of foreign capital, others that seem to be the preserve of local capital, and others where local and foreign capital exist side by side. "Local preserves are typically less concentrated, characterized by small-scale plants and less capital

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per worker. They are also industries in which technology is relatively unimportant. . . . The industries dominated by local capital in Brazil are the same industries where small business flourishes in the United States." (p. 116) Transportation equipment (mostly automobiles) and pharmaceuticals, two industries which have grown extremely rapidly in Brazil, are the most thoroughly dominated by foreign capital. Leather and leather products, printing and publishing, apparel and footwear, wood products and furniture—these relatively slow-growing sectors have been the realm of local capital.

There is a middle ground, areas of the economy in which foreign and local capital operate side by side, vie with one another, and form alliances. The textile industry is an interesting case given considerable attention by Evans. With less of a technological and scale advantage to be exploited by foreign firms and with considerable importance attached to experience in the local market, joint ventures have been relatively frequent in textiles. While no Brazilian manufacturing firms can consider themselves safe from displacement by foreign capital, foreign capital often needs Brazilian capital to perform what Evans calls an "integrative" function. In discussing the operations of the electrical goods industry in Brazil, Evans notes how Brazilian nationals are the links by which several companies are tied together. He continues:

> What is interesting here is not that links exist among these companies. What is interesting is that in an industry dominated by multinationals, members of the local bourgeoisie are called upon to play such integrative roles. Westinghouse, Siemens, GE. . . control the necessary technology and capital, but Luis de Franca Ribeira, J. P. Vieira, and S. M. Durazzo constitute a different sort of resource that apparently is very useful to the multinationals. They are embedded in local networks in a way that the multinationals cannot be. (p. 161)

In this relationship, the multinationals are clearly in a dominant position, but local capital plays an important and perhaps indispensable role.

In any case, foreign capital and private local capital are not the only members of the alliance dominating dependent development. During the late 1960s and early 1970s, "when the multinationals were expanding their investments in Brazil most rap-

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idly, the influx of foreign capital was more than matched by the growth of state enterprise." (p. 272) The state's greatest industrial involvements are in iron and steel (70 percent of assets in 1972) and petroleum refining and distribution (82 percent of assets in 1972). In addition, the state controls most public utilities, plays a major direct role in banking and finance and in certain trade services, and maintains control of mineral resources. Although private Brazilian capital has lost ground to foreign capital in the last two decades, once the state sector has been included in the calculations, there has been no overall "denationalization."

The Brazilian state has used its great economic power along with its political authority to regulate and direct Brazilian development. Of particular importance, it has forged the triple alliance into a formal three-way partnership in major projects. Evans uses the formation in the early 1970s of Polo do Nordeste, a major petrochemical complex in the depressed northeast of Brazil, to illustrate this process. Petroquisa, the state petrochemical company, played a central role in the project and also pulled in foreign and local private capital. Of particular interest, the state operated at Polo do Nordeste to give a special boost to local capital. Evans argues that generally the Brazilian state uses its authority to advance Brazilian private, national capital, and that it would be wrong to see the state as evolving toward some form of "state capitalism" operating "for itself." It has operated to prevent the uncontrolled expansion of the multinationals at the expense of local capital (for example, making entry into the Brazilian computer industry by foreign firms contingent upon a willingness to share equity and technology with local partners). Thus, the relationships in the alliance that dominates dependent development in Brazil involve a complex system of cooperation and conflict among the partners.

Limits of Dependent Development

During the post-1964 era of military rule in Brazil, dependent development has achieved considerable success. Nonetheless, it is an inherently unstable system. As Evans repeatedly points out, the masses of the Brazilian people have been excluded from the benefits of growth. By various indexes of social welfare—for example, the infant mortality rate—the Brazilian

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people have fared poorly. The figures on income distribution are particularly striking, indicating that the top one percent of the population has increased its share of income from 12 percent in 1960 to 18 percent in 1977, while the poorest half of the population saw its share of income fall from 17 percent to 13 percent.[4] The president of Brazil's military government, on a visit to the United States in the late 1960s, put the situation succinctly: "The economy is doing fine. The people are not." As Evans stresses, the point is not simply the moral bankruptcy of such a system, but in addition such an economic system continually threatens to generate the social conflict which would disrupt the accumulation process.

What needs to be explained is the connection between rapid growth and massive poverty in Brazil. Capitalist development, while never a particularly humane process, has not everywhere and always had the social nature of Brazilian development. I would think that the explanation of Brazil's particular course is so closely tied up with the central themes of Evans' argument that it does not require a great deal of analysis to fill in the connections. The truth is that the successful alliance among the partners in Brazil's triple alliance has depended on the suppression and exclusion of the Brazilian masses. If each of the elite groups is to have a sufficient share of authority and of the benefits of growth, there is no alternative but to exclude the great majority of working people; and they can only be excluded if they are suppressed. Moreover, the fundamental role of the multinationals in Brazil has perverted the structure of industry. Major industry is highly capital-intensive, and the masses of the Brazilian working people are relegated to low-paying jobs outside the mainstream.

The nature of Brazilian development would also seem to lie at the basis of the tremendous foreign-debt problem currently facing the country. During the 1970s, Brazil's net foreign debt (total debt less reserves) grew from $4 billion to over $50 billion. Servicing this huge debt has been taking up over 60 percent of the country's export earnings in recent years.[5] Brazilian dependent development has involved a heavy reliance on foreign capital and on international trade, but from the early 1970s onward this external orientation generated difficulties. The sharp jump in oil prices, higher costs of freight and insurance,

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and the rising payments of interest, dividends, and royalties to foreign capital combined to greatly increase Brazil's need for foreign exchange. Even while the consumption of the Brazilian people has been held down, the economy has not been able to generate internally sufficient surplus both to meet these foreign obligations and to maintain a continuing high rate of accumulation. The "solution" has been to borrow heavily from abroad, but, as the markets for Brazil's exports have weakened and as Brazilian workers have become less "cooperative," the solution has become the problem.

Evans does not give serious attention to these problems of inequality and debt in Brazil. This is unfortunate, because at the current time the emergence of a militant working-class movement and the pressures placed on the economy by the debt have become urgent issues, and one would like to have the connection between these events and Evans' analysis clearly established. Insofar as he does give attention to potentially disruptive political conflict, Evans focuses somewhat narrowly on the pressures for democratization that emerged in the late 1970s. These are certainly important pressures, and Evans does point out their connection to the potential emergence of mass struggle; but the possible growth of a major working-class movement and the structural weakness of the economy seem to me to be more fundamental. Nonetheless, it is not reasonable to criticize an author harshly for sins of omission, especially when he has provided a foundation on which these various consequences of dependent development can be effectively examined (and of course the working-class movement and the debt problem were not so evident when Evans was writing).

Aside from what *Dependent Development* tells us about Brazil, it also tells us a good deal about how to advance the Marxist analysis of imperialism and underdevelopment. Brazil, to be sure, is not typical, and Evans is careful to point out that few other countries fit under the rubric of dependent development. Much of the periphery continues to be mired in conditions of poverty, stagnation, and the structure of classic dependence. Most importantly, however, even the Brazilian experience, for all its success, does not belie basic aspects of the Marxist analysis. It remains a dependent economy, with its structure thoroughly perverted by its position in the imperialist system.

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National capital cannot lead the development process. In recognizing these basic features of underdevelopment, Baran, Frank, and others were correct. Marxists, however, have underestimated the extent to which the perverted structures of underdeveloped economies could yield growth and industrial expansion. While national capital cannot lead development, in some cases the state and multinational capital fill the gap. Still, the perversions that Marxists have recognized remain, and these perversions make for a particular pattern of development. Evans moves us a long way in understanding the particulars of this pattern of dependent development, and in recognizing that it is characterized by instability, that it does little to meet the needs and aspirations of the masses of the people, and what's more, that its achievement can be attained only in conjunction with a thoroughly repressive political apparatus.

Finally, Evans' analysis pushes us toward emphasizing a phenomenon which, while recognized in Marxist analysis, has not received sufficient attention. Frank and others have pointed out that the imperialist system has several tiers of unequal, exploitative relationships, but the two-way relation between center and periphery has been the focus of most of our analysis and political concern. The end of U.S. hegemony has ushered in a new era in which the complexities of imperialism can no longer be given so little attention. The new role being played by oil-exporting countries forms the most dramatic example of the insufficiency of the simple center-periphery view of imperialism. The rising economic strength of Brazil and a few other "semi-peripheral" or "newly industrializing" countries must also be taken into account. The recent refusal of the Brazilian government to participate in U.S. actions against the people of El Salvador and the strong opposition of the Mexican government to those actions are striking political manifestations of the changing international situation.

The modern Marxist analysis of imperialism and underdevelopment that began with Baran does provide us with a framework and a starting point for understanding the evolution of international conflict in the 1980s. Evans' *Dependent Development* takes us a long stride further in that task. It is a book I will find good use for in my own analyses of related issues and in my classes.

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NOTES

1. The data are from the World Bank's *World Development Report* (1981).
2. A dramatic recent example of increased competition that U.S. firms face in Brazil was provided in late 1981 when Nippon Electric beat out ITT for an important communications switching equipment contract. As a consequence, ITT terminated its 53-year-old Brazilian operation. See *Business Week* (December 5, 1981).
3. J. P. Curhan et al, *Tracing the Multinationals: A Sourcebook on U.S.-based Enterprises* (Cambridge, Mass.: Ballinger Publishing Co., 1977), p. 24.
4. I have taken these figures from the 1982 MIT doctoral dissertation of my friend Maria Alves, *The Formation of the National Security State: The State and Opposition in Military Brazil*, p. 876, compiled from Brazilian sources.
5. These data are from the Alves dissertation, pp. 871-73. Maria Alves has pointed out to me that a large portion of the Brazilian debt has been contracted at variable interest rates; so the current circumstances must be particularly onerous. On the other hand, she also noted that recent major gold findings in Brazil could provide a large additional source of foreign-exchange earnings.

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THE SUPPRESSION OF THE POLISH WORKERS MOVEMENT

BY PAUL M. SWEEZY

I am glad to have the opportunity tonight, together with others on the platform and in the audience, to express my feelings of indignation and revulsion at the suppression of Solidarity and the persecution of its leaders.

I must add immediately, however, that in taking this position we should be careful to distance ourselves from others like Ronald Reagan and a host of reactionaries here and abroad who shed floods of crocodile tears for Polish workers deprived of their right to organize while condoning, financing, and militarily supporting regimes around the globe which maintain themselves in power by torture, mass murder, and starvation. In comparison with governments like those of El Salvador and Guatemala, Chile and Argentina, Turkey and South Africa—all of which enjoy the full backing of our own government—the Jaruzelski regime in Poland looks like a bunch of humanitarians.

This is in no way to temper our condemnation of the Polish regime, let alone to condone its actions. Poland and the other countries of the Soviet bloc claim to be socialist. Well, then, let them be judged by socialist standards which are, and should be, far more demanding than those by which we judge capitalist regimes and their contemptible Third World clients and puppets.

I said that the Soviet-bloc countries claim to be socialist.

This is a reconstruction from notes of a talk given at a meeting held in New York on October 22, 1982, to protest the banning of Solidarity, the independent Polish trade union, and the trial of its leaders.

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But are they? I know that there are many in the international left who accept the claim. Let me explain why I do not.

The critical test, it seems to me, is not whether these countries conform to an ideal type as defined by a set of abstract criteria, but by the way they have reacted in practice to the rise of an authentic, independent working-class movement.

Revolutions do not give rise to ideal societies. They are violent affairs in which some groups are wiped out and others repressed. Their ultimate meaning is determined in historical practice. This has been true of all great revolutions of modern times—the American, the French, the Russian, and the Chinese.

The last two, the Russian and the Chinese, have been the crucial revolutions of the twentieth century. Both started and were fought to victory by the downtrodden, the oppressed, the working people of city and countryside. But the process was not, and could not have been, one that respected civil liberties or democratic rights, procedures, and forms. Sheer survival demanded authoritarian, dictatorial regimes. The decisive question was whether these would harden into new hierarchical social structures, or whether they would retain their original revolutionary drive and spirit along with the flexibility necessary to adjust to, and take advantage of, new forces and situations as they arose.

One could argue that the history of the Soviet Union has been such that this question was never put to the test. Isolation, wars of intervention, economic and cultural backwardness prevented anything like a normal development. To be sure, for a time after the death of Stalin there was much optimism in the international socialist movement, perhaps best reflected in the works of Isaac Deutscher, that the worst was over and the future would bring an evolution of socialist values and institutions.

But these hopes gradually faded, and it seems to me all too clear that they have been finally extinguished by the Polish experience of the last two years.

This experience of course had a history of its own. As a result of the Second World War, the postwar Soviet occupation, and the installation in power of the local Communist party—officially named the Polish United Workers Party (PUWP)—the old ruling classes of Poland were effectively destroyed, and

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the dominated classes (peasantry, workers, and petty bourgeoisie) were exhausted, dispersed, disorganized, and leaderless. During the next three decades as a result of rapid industrialization, a largely new proletariat emerged, at first recruited mainly from the countryside and from declassed elements of the population, but later reproducing itself as a typical urban working class. Like its counterparts in capitalist countries at a comparable stage of industrialization, this developing proletariat engaged in ongoing struggles to protect its interests. These struggles were not against capitalists and large landlords, for there were none left, but against the state and the party that claimed to represent the interests of the working people. High points came in 1956, 1970-71, 1976, and 1980, with the workers becoming more and more conscious of their class interests and their potential power. Finally, in late 1980, what had been (in Marx's terminology) a class in itself was rapidly transformed into a mature class for itself, organized in its vast majority in the new Solidarity union.

It seems to me that it should be obvious to any Marxist that if the resulting parties of the Soviet bloc were really devoted to the interests of the working class, they would have rejoiced in this upsurge of proletarian consciousness and militancy and would have seen it as heartening proof of the ability of working people—in which Marx and the great figures among his followers had undimmed faith—to lead humanity to a socialist future. The best elements in the Polish party did indeed react this way, joining Solidarity and working for a genuine "socialist renewal" in which a democratized party and Solidarity would cooperate in building a new Poland.

But the leadership of the PUWP, and of all the other ruling parties of the Soviet bloc, saw things in an altogether different light. To them the rising of the working class was seen simply as a challenge to their own power (and ultimately of course to their privileges as well: the Polish workers made no bones about that). The PUWP leaders, prodded and supported every step of the way by their Soviet mentors, temporized as long as they thought they had to, all the while preparing their counterattack, and finally, when they felt strong enough, deployed overwhelming armed force to smash the workers' organization.

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What this proves to me, beyond any shadow of a doubt, is that the Communist regimes of the Soviet bloc have lost their revolutionary soul and have become the expression and the guardians of a new rigidified hierarchical structure which has nothing in common with the kind of socialist society Marxists have always regarded as the goal of modern working-class movements. Whether these regimes are an emanation of a new class structure and what kind of societies they are tending to create are legitimate, and indeed necessary, subjects of debate. But whatever answers are given cannot change the conclusion that they are in no way entitled to claim that they are socialist.

Did the vitalized Polish workers' movement really have the potential to create a new social order? We do not know, and this is one of the saddest aspects of the whole Polish experience. At a time when the two main models of social development to have emerged in the last hundred years—capitalist and Soviet-type—seem to have reached a dead end, what the world needs more than anything else is fresh, imaginative efforts to find a way forward. The Polish workers appeared to be on the verge of exploring a new path when they were struck down by the fear-ridden guardians of a played-out status quo. Though we have no way of knowing what they might have accomplished, we do know that the world is the poorer for their having been prevented from giving their own answer.

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CAPTIVITY OF THE PRESS

BY S. B. O. GUTTO

I was invited to talk on "Freedom of the Press," but, after some reflection on this very important subject, I have instead thought it more accurate and therefore honest to talk on "Captivity of the Press." It is my sincere hope that the presentation will bear evidence sufficient to justify my rejection of the popularized slogan of "Freedom of the Press" and the adoption instead of "Captivity of the Press" as a more precise characterization of the articulation of that part of the media we call the press.

Who Controls the Press?

The press is the social institution for the gathering, processing (including interpretation/misinterpretation), recording and dissemination of ideas, opinions, and information. The press is an integral part of the knowledge industry, and to the extent that knowledge is power the institution for the communication of such knowledge is an important tool of social control. It is axiomatic, then, that it is imperative for the powerful social classes in society to control the press so as to use it to communicate their class ideology. The press must be a class press performing the vital function of class dominance and rule. There is no exception to this rule, pretensions of certain naive press workers—the journalists—notwithstanding. In fact the idea of freedom of the press is an extreme expression of false social con-

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This is an abbreviated text of a lecture delivered to students at the School of Journalism, University of Nairobi, January 27, 1982. The author is Lecturer in the Department of Public Law, Faculty of Law, University of Nairobi, Kenya.

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sciousness that only goes to demonstrate the success of ruling-class ideology in penetrating the minds of the classes they rule over. This is not surprising. Marx and Engels noted in *The German Ideology,* the first clear expression of a materialistic conception of history (written between 1845 and 1846), that the ideas of the ruling class are in every epoch the ruling ideas. The ideas of the ruling class are partisan ideas, and the press they control for purposes of propagating their ideas must be and is partisan.

Now, the concept of control needs a little reflection here. One of the most widely and firmly held ideas among Western "free market" ideologues is that state ownership of the press in most emergent states and socialist states is inimical to freedom of the press. This is a very correct observation. States are class institutions, and to the extent that ruling classes in these societies control the state, it is only natural that they should use the press to propagate ideas necessary for their continued class rule. If workers are in control of the state and hence the press, they too use them for class rule. Where the petty bourgeoisie controls the state and press, as is the case in most emergent states, they use them on behalf of themselves and their imperialist masters against the workers and peasants.

I have indicated that the Western perception of the captivity of the press in socialist and underdeveloped societies is generally correct. In its actual propagation, however, there is an implicit and erroneous assumption that the press in the West, being predominantly owned by private individual capitalists and capitalist institutions, is therefore outside state control and "free." The state apparatus in the West is under the effective control of the minority ruling classes which naturally make more or less identical the state and ruling-class ideas and interests. In such social formations, it serves no additional benefit for the state to formally own the press. The work is well done by the "privately" owned press, whose interests are identical to that of the state. The press in the West is therefore not a "free press" but a captive press serving the interest of minority oppressor classes. I concede, however, that fragmented ownership in the hands of different press institutions may permit reflection of intra-class conflicts, but this is *intra-* not *inter-*class diversification of ideas,

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opinions, or information. Diversity and even contrasts yes, but within the minority social-class confines.

Now, I am quite conscious of the seriousness of my analysis and assertion that the so-called free press in the West serves the same propaganda ends and operates within the same state and class confines as those in the socialist and underdeveloped societies. The fact is, however, well-documented for those who care to read. A case study of the U.S. press and how it has systematically colluded with the state and private capital to falsify, misreport, and distort the U.S. state and imperialist terrorism in the Third World—while hypocritically shouting "human rights" —is very ably recorded in Chomsky's and Herman's *The Washington Connection and Third World Fascism: The Political Economy of Human Rights* (vol. 1), in the book as a whole and by summary in chapter two. Chomsky and Herman have also exposed this carefully worked out captivity of the so-called free press in furtherance of state and ruling-class ideology in *After the Cataclysm: Postwar Indochina and the Reconstruction of Imperial Ideology: The Political Economy of Human Rights* (vol. 2).*

The U.S. government clearly sees and uses the "free press" not only as spying institutions for the government but also uses its spying agencies such as the CIA to plant fabricated propaganda "news" in its own "free" papers, as well as in the press of Third World countries which it controls by virtue of its economic and political imperialism. The former assertion may be illustrated by the admissions of Admiral Stansfield Turner, the former director of the CIA, in a talk at the annual meeting of the American Society of Newspaper Editors in 1980 (reported in the *International Herald Tribune,* April 12-13, 1980). The use of the press in Third World satellite countries should be obvious. But, for the doubting, read *In Search of Enemies: A CIA Story* (New York, 1978) by John Stockwell, former chief of the CIA's Angola Task Force. In chapter eleven he reveals the CIA's use of the press in Zambia and other African countries during the Angolan war of independence in order to spread lies about the MPLA in Angola, Cuba, and the Soviet Union.

Apart from the fact of *de jure* ownership, the control of

* Published by South End Press (Boston, 1979).

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any social institution like the press also depends on patronage. Control by patronage, particularly where the press is not directly backed by autonomous sources of finance, may become decisive in shaping the character of press captivity. In a country like Kenya, one can easily witness the struggles for patronage expressed in terms of praise for the ruling regimes and individuals by the different papers in a bid to win state advertising tenders. Except for the *Weekly Review* and *Nairobi Times* (now on the verge of collapse), the two dailies, the *Daily Nation* and the *Standard*, are backed by strong capital, both foreign and local. The *Standard* is a mouthpiece of British capital institutionalized in Lonrho, a British transnational corporation. The *Daily Nation* is owned and controlled by Asian capital. In spite of their ownership, they still struggle for patronage from advertisers of which the state in the Kenyan context is the leading one. Propagating and guarding the ideology of the advertisers is a very important factor in the captivity of the press. The following admission by Hilary Ngweno (of *Weekly Review* and *Nairobi Times*) reproduced in Ngugi wa Thiong's *Detained: A Writer's Prison Diary*,* as Ngugi correctly says, shows the "primacy of financiers in restricting basic freedoms":

> Memo to all staff Date: 19 Oct. 1979
>
> From: Hilary [Ngweno]
>
> As we all know, we are having problems with the government at the moment. Most parastatal organizations have been instructed not to advertise with us anymore. As a result, a lot of advertising has been canceled.
>
> We have not been told why this is being done and all efforts by me to get an explanation have failed so far. What is more important, I do not know what the intentions of the government actually are, whether to kill our newspapers or simply punish us for something we have published.
>
> What I do know is that we cannot continue operating as we are now without advertising. Advertising is what makes it possible for a newspaper to survive or grow; without money from advertising, we cannot make ends meet.
>
> It is true that we can exist for a while without advertising from government or parastatal organizations but only for a while, for in due course private advertisers are also go-

* Heinemann (London, 1981), preface, pp. xiii-xiv.

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> ing to stop advertising with us for fear they may themselves get into trouble.
>
> This memo is to let you know that at the moment the future of our operations is not bright at all. All of you have personal and family commitments which must come first in your consideration of your own future. For this reason, I would like each one of you to know that I sympathize with you over the uncertainty in which this new turn of events has placed you. As I cannot guarantee that you will have a job in two months' time, I would urge those who feel they can best serve their interests by looking for alternative jobs to do so. . . .

This is a painful but graphic illustration of the power not only of advertisers over the press, but also of the uneasy relationship between the comprador petty bourgeois capitalists and the state. It also illustrates the alliance between capital as a whole and the state. If the state is not happy with one of the capitalists, the others will fall in line.

The position is not very different in advanced Western capitalist societies where the slogan of "freedom of the press" is highly regarded. As Chomsky and Herman correctly put it:

> The impact of economic and political interests and power on the mechanics of mass media processing of the news is complicated and can only be summarized briefly here. One factor is ownership interests. Mass media enterprises are big business. Many of them are now divisions of conglomerates with a wide variety of activities including the production and sale of weapons (e.g., Westinghouse, RCA, GE, and General Tire and Rubber); and their owners and managers share the interests and values of their business peers. They are an important part of an elite group that benefits from the status quo and plays a crucial role in the selection of editors and other key personnel, in policy-decision criteria, and in fixing the "practical possibilities" of news selection. Advertisers are also important to the mass media, and the need to attract and maintain good relations with them helps define the limits of tolerable controversy. Sponsors and media together want to produce an output that will help sell goods, will not seriously disturb any substantial consuming group, and will be ideologically and politically compatible with the business system and the multinationals that increasingly dominate mass media advertising. (*The Washington Connection,* pp. 75-76)

The two authors footnote the foregoing statements with an illustration of how the interests of the *New York Times* suffered between 1976 and 1977 when it was (wrongly of course) ac-

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cused by a section of the U.S. press of deviating slightly to the "left." The authors admit that alternative "views and analyses are available in the United States, in fringe media that reach a minuscule sector of the population, probably less than one percent." "But," they go to say,

> (1) it is unacceptable to explain them [U.S.-sponsored "death squads" that abound in Third World fascist regimes] as a result of official U.S. policy and preference and as plausibly linked to U.S. economic interests; and (2) it would be highly advisable even in merely denouncing subfascist terror to show "balance" by denouncing Soviet and left terror in equally vigorous terms. Otherwise, your days are numbered in those parts of the media that reach 99 percent of the U.S. population. (*Ibid.*, pp. 78-79)

It is my hope that the foregoing analysis and illustrations have succeeded in dispelling the myth of freedom of the press, if the freedom meant is that of autonomy from state and/or private minority ruling-class control. The delusions that many journalists—and indeed the general uninformed public—harbor about press freedom, solely on the basis that there is no direct state ownership of the press, should also go.

You are students of journalism who are going to practice the profession or trade mainly in Africa and, for that reason it is imperative that I make a further slight focus on the peculiar nature of underdeveloped political economies and how captivity of the press articulates itself in such an environment.

The Third World Press: A Case of Double Captivity

Open any local daily: *Daily Nation* or *Standard;* or any local weekly: *Weekly Review, Nairobi Times, Sunday Nation,* or *Sunday Standard.* It is almost an iron rule that except for local provincial news items about court cases, police arrests, and utterances of politicians which are reported by the government-owned Kenya News Agency or local newspaper reporters, all the international information contained in these papers consists of direct messages from London Observer Services, or from UPI, AP, Reuters, AFP, and other news agencies and wire services. Without any ability to verify the authenticity of the information and without even the willingness to doubt the truthfulness of such information, our local papers religiously disseminate it to the unsuspecting consuming public as gospel truth. Although

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we are concerned here with the newspapers only, it is instructive to note that the radio and television services which are government-owned and -controlled behave in a similar manner. The fact that all these "sources" of information in our local press are from Western imperialist countries is not mere coincidence. It is a natural reflection of their economic and political dominance and control over us. Whoever controls the economy and hence the politics of any society controls the culture of such society. In other words, cultural imperialism in the field of the press is the reality of our so-called freedom of the press.

Kenya is not alone in this. All underdeveloped neocolonial political economies share this fate, in varying degrees.

But more than the wire services is involved. The following are promptly on the streets of Nairobi on the day of publication: *Daily Express, The Sun, Daily Mail, Daily Mirror, Frankfurter Zeitung, Sunday Express, News of the World, Sunday Mirror, Sunday Telegraph, Spectator, Newsweek, Time, The Economist, Le Monde* (London), *The Observer* (London), *Financial Times, Daily Telegraph,* and many more papers written for the ruling classes in Western societies. I wouldn't be surprised if a few people actually subscribe to the *Rand Daily Mail* [Johannesburg]. It is not very different.

The points to be emphasized are: (1) the flow of information is one-directional—we do not wire information outside our territorial boundaries nor do our local papers, if they are "local" at all, sell in the streets of Western cities; (2) we consume all the self-appraisal of the Western imperialists of themselves, since we cannot afford to have even "correspondents" in their societies; and (3) we consume, raw, their perceptions of us and our brothers and sisters doomed and trapped in the cultural poverty of underdevelopment.

The sad thing is that this position is not likely to change, indeed it is unchangeable, as long as the current international division of labor remains what it is. The movement for the New International Information Order (NIIO) that was born at the UNESCO General Conference in Nairobi in 1976 is directed at the root causes of this imbalance in information flow. This has been translated into the International Program for Development of Communication (IPDC) which, however, is not very revolutionary in terms of freeing information from ruling-class dom-

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ination. For it must be recognized that a restructuring of the international information order is dependent on the restructuring of the international economic order; and the latter, although it has received quasi-legal sanction under the UN system,* is being resisted vigorously and consistently by the economically advanced Western societies because their continued supremacy lies precisely on the maintenance of the exploitative *status quo* which they have created over the last four to five centuries.

Another characteristic of the news media in the underdeveloped neocolonies which contributes significantly to the captivity of the press, via mediocrity, is the low quality of journalists. Human labor, including mental labor, is the greatest natural resource in the production and reproduction of society. But this labor, particularly the mental labor possessed by journalists, can be effective only if it is properly developed. Compared to journalists in economically advanced societies, whether of the East or West, our news staffs in general are both politically and technically of very inferior caliber. This is not natural; it is deeply rooted in the history of underdevelopment. It is therefore no surprise that until very recently the School of Journalism offered only a diploma program to students who mostly failed to qualify for university degree courses. An infinitesimal proportion of them have turned out to be good journalists. The rest masquerade as journalists—even editors and chief editors. I am, of course, aware that there are outstanding journalists with little formal education. These are, however, few and far apart. Equally there are Ph.D.s who are useless journalists. The point is that this state of affairs is probably seen as a good thing, in the short run at least, by the ruling oppressor classes here and abroad, namely, to have journalists whose major qualifications include naïveté and ignorance, for they can never be critical of their environment. We can observe these strategies in almost all important professions. In law, for example: the Kenya School of Law was established in the early 1960s to produce some paralegals called advocates whose ability was only to be found in learning and applying rules, while being quite oblivious to the political

* UN General Assembly, "Declaration on the Establishment of A New International Economic Order," Res. No. 3201 (S-VI), May 1974, and "Program of Action on the Implementation of a New International Economic Order," Res. 3202 (S-VI), 1974.

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economy within which they and the law operate. A few of these have been rewarded. There was a lot of debate here on whether students of medicine should take only three years (paramedics) or the full period of five years, which is the general international standard. Reason prevailed in this case, but had it not we could be having doctors here who could not be recognized anywhere in the world and who would need permanent tutelage by "experts" from abroad.

The point is that, like the concept of the independence of the judiciary—which depends for its realization, at least to some degree, on the high quality and integrity of the judges and magistrates—freedom of the press requires very high technical expertise and informed political and social awareness on the part of journalists. Anything less is not good enough. Most so-called journalists in the Third World are poor counterfeits. Adam Muwafu, in a recent article,* described a journalist in a neocolony as

> politically naive, lowly educated and [with a] narrow and half-baked understanding of his society. . . . Because of these shortcomings coupled with a hostile environment the journalist in the neocolony cannot report or write deeply.
>
> He is usually an employee of the state or of international finance capital. He has few choices. For the sake of a living, he is therefore tamed and controlled. In some cases, he will even consciously serve imperialism for a few dollars.
>
> This state of affairs drives all traces of journalistic ethics out of his practice. He is, therefore, in most cases opportunistic, sycophantic and sectarian. If he is a consistent democratic-nationalist, then he is usually terrorized by the powers that be till he is pushed out of practice in his own country.

I think this is well put, except that the writer is being too generous in leaving out outright murder by the state as one of the consequences a democratic-nationalist journalist may suffer. The sad murder of E. M. Motuba of Lesotho's *Lesi Iinyan Newspaper* in 1981, after the church newspaper was forced to sack him, is a case in point. These are consequences facing all democratic-nationalists, not only those who are journalists. The civilian and military dictatorships that abound in Africa, Latin America, and Asia are very sensitive to social democratic voices

* "Mass Communication and Society," *Forward* (Uganda), vol. 3 (1981), pp. 9-10.

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—not only to "communists"—that may point out their weaknesses or their collusion with imperialist forces in their joint missions of exploitation and repression. You are students of journalism, and you will have to make the painful, but inescapable, personal choice of what brand of journalism you will practice.

Having looked at those factors that underlie what I see as double captivity of the press in the Third World, it may be a good idea to indicate that the overwhelming control that the advanced capitalist states have over the press in the Third World extends to all spheres of our lives. Particularly in the field of information flow, there is a great deal of direct and indirect censorship of information that may otherwise aspire to give a correct interpretation of events in and about the Third World. This can be clearly illustrated by attempts by those who control information flow to deny publication to such relevant studies as those done by Chomsky and Herman, referred to above. These authors have been accused of being "unpatriotic" for exposing the ugly work of the U.S. state and businesses abroad which undermine human rights in countries of their operation.* Teresa Hayter's study of World Bank/IMF operations in Latin America, which was commissioned by those very institutions, was refused publication and generally suppressed because it revealed the true exploitative nature of these institutions' operations.**

Earlier, I discussed the point regarding our inability to gather information about the advanced countries the way they do about us. Recently, I personally experienced an attempt by Western scholars to block publication of a paper I had written which was critical of Western capitalism and racism and how they have entrenched the oppression of blacks in the United States.*** The editorial policy of the journal to which I sent the paper reads in part as follows:

[S]hort contributions may concern themselves with decided cases or recent enactments, but equally they may concern them-

* See the "Prefatory Note" by the authors in *The Washington Connection, op. cit.*

** It was later published privately. See Teresa Hayter, *Aid As Imperialism* (London: Penguin, 1971). The Appendix recounts the politics of its publication.

*** "American-Africans: Constitutional Entrenchment of Their Oppression and Inequality in the Political Economy of the USA," a paper presented at the Second Diaspora Conference, Nairobi, August 23-26, 1981.

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selves with other aspects of legal investigation, with issues of legal history, or philosophy or statistical or sociological investigation, or indeed any of the scholarship within the compass of the journal.

In a letter dated January 22, 1981, Prof. J. A. Andrews of University College of Wales, Aberystwyth, the editor of *Legal Studies,* wrote to me as follows:

> Dear Gutto,
>
> Thank you for sending me your article on American-Africans. I read it with interest, but it is too general and socio-political in nature for *Legal Studies.* We are basically a scholarly *Law Journal* and your article is rather outside of our compass. . . .

Whereas it is unjust and even discourteous for one to be a judge in his or her own case, it is my feeling that the professor was consciously or unconsciously protecting the image of his kith and kin by rejecting an essay that fell, in my view, within the scope of the journal's declared editorial policy. It is almost a rule that in order to publish in most Western journals, one has to renounce one's ideological positions and also leave out problem areas that require criticism of Western policies insofar as they affect people in the Third World. At least this is the dominant trend in the field of law. This is a heavy price for truth. I leave it to independent parties, however, to read the work in this case and make up their own minds—there is a possibility I may be wrong in my interpretation of the events.

Lastly, I leave it to you to decide whether or not I have discharged the task I set for myself of showing that "freedom of the press" is a misnomer and that "captivity of the press" is a more accurate way of describing the state of the press today. I ask you to translate the misnomer into reality through consistent struggles.

In the logic of capitalism
the freedom of the press is simply one more commodity
and from the total each person has a right
to as much as they can pay for: the people
to twenty cents a day per head of freedom of the press
the Viera Altamiranos, Dutrizes, Pintos and etceteras
to millions of dollars a day per head
of freedom of the press.

—Roque Dalton (El Salvador)

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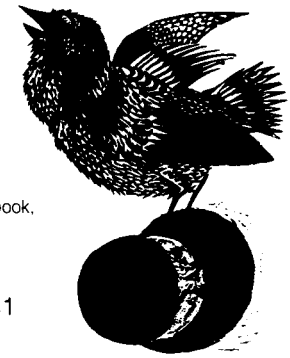

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WHAT WAS I DOING WITH SUCH DREAMS, ANYWAY?

BY W. H. FERRY

> *If right now someone would suggest to burn a girl at the stake in the national interest, he'd be locked up as crazy, but if he suggests ten million people may have to be burned to death in the national interest, he'll be listened to.*
>
> —Hans Koning on Joan of Arc

When I was fifty and sixty I had plans for my declining days. They were to be a time of postponed gratifications. Several months each year I would saunter again over green and gray stretches of England and Scotland and Ireland. I would return to Greek and calculus to try to recover the tantalizing moments these subjects had furnished fifty-five years earlier. Finally the chance to become a class C pianist! If I parceled the days properly, I would at last read authors forever on my reading list, waiting for the trouble-free years of old age: Gibbon, Proust, Dostoevski, Camões, Sterne. There would be birdwatching with grandchildren in tow, and long-postponed excursions to unexplored valleys and heights of this magnificent nation.

These anticipations are 97 percent shattered, never to be realized. What was I doing with such dreams, anyway? They were never to be fulfilled even while they were forming in my head. When I was fifty the nuclear bomb was already established as the Big Fact of all our lives, and I was already crying

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W. H. Ferry is a writer, social critic, and U.S. organizer for European Nuclear Disarmament. This is the concluding piece of a collective volume edited by him entitled *Warming Up for Fifty Years, Being the Reflections of Some Members of the Class of 1932, Dartmouth College* (Santa Barbara, California: James R. Cook, 1982). It is reproduced here by permission.

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out for unilateral disarmament. When I was sixty our savagery in Vietnam was at its peak, and I was doing everything I could think of to halt my country's bloody and immoral effort to impress its will on Indochina.

I had no business with such dreams in those years. I have less business with them today, at seventy. The Big Fact of nuclear weapons will rule the remainder of my days. Week after week preparations for war continue. Tendencies toward the final conflict grow and converge: faltering economies, the worsening plight of 70 percent of the world's people, the crumbling of politics, torture, and tyranny as recognized means of governance, the subordination of human welfare to the demands of war planners. It becomes clear that war can come as readily by mischance, accident, or the sheer weight of unresolved woes as by military decision.

The actuarial tables suggest that it is time for me to turn my back, retreat to library and piano, that my innings are over. Even if I would, I cannot. The game will not be over until nuclear weaponry is effectively banned from the face of the earth. The bomb will be either eliminated or used. The latter seems by far the more likely eventuality, considering the growth of these world-shattering instruments, the fragile controls over them, the unwillingness of the powers to take a single step away from their completely irrational reliance on them.

Why not, then, stop shouting? Why not forgo letters to the editor, usually unpublished, appeals to members of Congress, usually disregarded, support for peace-pledged groups, whatever and whenever? There are several answers to these questions. First, I am, with Gramsci, "an intellectual pessimist, an optimist in spirit." Which is to say, while there's life there's hope, even if not much hope. Second, there is my sense of responsibility as a member of the generation that brought this dreadful blight on the world, threatening nature and civilizations and peoples everywhere, including not least my children and their children.

Third, there is the matter of temperament. Through the years I have sought to impose myself on my times. There has seemed to me to be a citizenly obligation to speak out on public

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matters large and small; what is the value of the First Amendment if it is not used? What greater subject than World War III?

"The tragic sense of life," says Unamuno, "consists in doing what you have to do even if you know you are going to fail."

There is, to be sure, a constituency for peace among the humble and powerless; every poll shows it. But here we encounter a contradiction. Americans long for peace. Yet from childhood the vision of a forever dominant, almighty United States has been held up before us. What most Americans have in mind is a *pax Americana.* It is difficult for most even to imagine a peace that is not dictated by American terms. We seldom take into consideration the feelings and opinions of other nations. We expect that others will bow to our will. The peace that Americans have in mind is obtainable only by military victory. We have not yet caught onto the fact that there will be no military victories in nuclear war.

So Americans want peace but only at a price that will not be paid. The militarization of the country accelerates because our presidents and members of Congress tell us that our security depends on the frantic accumulation of more and more arms as far into the future as anyone can see. This is history's greatest blunder or greatest lie. It does not matter which. You get what you pay for. We are paying for war.

Preoccupation with weapons and threats has, not incidentally, gone a long way toward fracturing our economy and demoralizing the national community. We are engaged in mischief of our own making, a "politics of crisis," as E. P. Thompson says, "which legitimates the enlargement of the security practices of the state, the intimidation of dissent, the imposition of secrecy, and the control of opinion."

What is to be done about a condition of perpetual threat?

At one time I thought that only an accidental explosion of a nuclear device somewhere in the United States might bring us to our senses, especially if it occurred where thousands of prominent and affluent citizens lived. I thought that it would create enough tragedy and horror to make us see that we had to find another way, that we had to turn national energies away from the search for more kill-capacity to the far more urgent quest for a durable peace.

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Such an accident was and is all too possible. There have been more than two dozen threatening incidents in the last thirty years, most of them concealed from public understanding by Pentagon apologetics. We came very close to cataclysm seventeen years ago when two hydrogen bombs dropped from an Air Force plane in North Carolina after part of the bomber's wing fell apart. One bomb landed under a parachute. The other slammed into the ground and shattered. It failed to explode only because a single switch out of seven so-called safety devices worked. Six had failed. What if all had failed, an Air Force officer was asked. "There goes North Carolina," he replied.

If anything, he understated the case. Each weapon carried 24 megatons. Combined, they had the explosive power of 3,700 Hiroshima bombs. All the bombs dropped on Japan and Germany during World War II totaled 2.2 megatons. One must not hope for so dreadful a solution.

There are few promising developments on the horizon; the Cold War is back again, colder than ever. But there are a few. I am glad to be one of the growing company of clerics, academics, working people, scientists, even a corporate leader or two who are proclaiming their deep apprehension about the narrowness of our approach to the rest of the world and our increasing dependence on military answers to its problems. The evidence is in full view. What we see is so overwhelming in its implications that notions of apocalypse come to even the most sedate imaginations. Though we are not very many now, and weak when ranged against the phalanxes of the warriors, our ranks are growing every day.

Bishops, Catholic and Protestant, issue resolutions. Antinuclear activists who once concentrated on Three Mile Island, Diablo Canyon, and other evidences of ecological folly are linking arms with their antinuclear-war compatriots. Environmentalists perceive that nuclear conflict is the universal threat to nature and are joining the protest. Physicians have organized to alert the public to nuclear war's unrecoverable damage to millions of human beings.

It is too early to say that an effective American peace movement has come into being. All that one can say is that dissent is rising, and that a general unease about our commitment to war is fermenting throughout the nation.

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More promising is the situation in Europe, where a people's movement for denuclearization of the continent from Poland to Portugal has emerged. It is less than two years old, but it is already a most significant factor in political debate about military matters. It is nonpartisan, uncoordinated, nonideological. Hundreds of thousands of Europeans are taking seriously one of President Eisenhower's lesser known pronouncements: "Indeed," he said, "I think people want peace so much that one of these days governments had better get out of the way and let them have it."

The ordinary people of England and Europe are rising to oppose the U.S.-NATO decision to put 572 medium-range Pershing and cruise missiles and unknown quantities of neutron bombs in their countries. They want ultimately to eliminate all nuclear weapons from their countries. They do not want to become sitting ducks on the stage of the "theater war" more and more talked about in U.S. military circles. Their counterparts in the Warsaw Pact bloc are doing their level best to mount similar campaigns. The odds against them are formidable because of Soviet opposition to independent action. But they are trying.

What we are seeing is a spontaneous popular response to a specifically American war plan. If the Europeans can prevent the deployment of U.S. missiles in their various countries, and perhaps even force the withdrawal of the thousands of nuclear devices already in place, the arms race will be measurably slowed down. It might well bring some common sense into the policies of the superpowers.

In October 1981, this is by far the most hopeful development I can see. The neutralization of Europe, the creation of an island of calm between the superpowers, is a goal as devoutly to be wished by Americans as by Europeans. The European denuclearizers are already a potent force, though no one yet claims it to be a majority. Demonstrators in the hundreds of thousands are nevertheless already shaking the chancelleries of half a dozen nations. This is neither an anti-American nor a pro-Soviet development. Europeans know a great deal about war from first-hand experience. They see clearly that nuclear war would wipe out the continent—east and west—and the British Isles.

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So I spend a good many hours each week seeking to acquaint Americans with what's going on in Europe and the importance of developments there to our own welfare. Looking nuclear war dead in the eye, the common people of Europe are horrified at what they see, and are taking their destinies into their own hands.

So much cannot be said about this country—yet. Most Americans are unwilling to confront the awfulness of nuclear conflict. Psychologists call this a "psychic numbness" born of dread—for most Americans *do* know the dreadful power of the bomb and flinch away from the knowledge. We still have the dreadful distinction of being the only country to have engaged in nuclear war. The psychically numb believe that the issue is quite out of their hands. So why make futile protests, or even talk about it? Americans consent to the mad policies of their leaders not because they necessarily approve of them but because they refuse to dissent, to say No. Silence means consent and is so interpreted. Thus the juggernaut, fueled by "the Soviet threat," moves relentlessly on, not much impeded so far by its critics.

The reason why I have not discussed the Soviet threat is, first, because successive administrations and a generally noncritical press have talked about it ceaselessly, and, second, because the Soviet threat is trifling when measured against the threat of nuclear war, which is by far our greatest enemy. I find it hard to work up much dread about an adversary that cannot begin to manage its affairs in next-door countries like Poland and Afghanistan. Anyone who does not dread thermonuclear war is an idiot.

In any case, I am an American, and it is American policy that must concern me. Secretary of State Haig, when asked by a Senate committee about the possibility of war, said, "Americans know there are some things worth fighting for." No one challenged the statement. Was he talking about bar-room fistfights? He was talking about war, and today war means thermonuclear war. Secretary Haig and his president must be asked to describe the circumstances that would make it worthwhile for the United States to fight such a war. They would not because they could not. They know they would merely be describing na-

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tional suicide. Toynbee said, "It is one thing to die for your country. It is another to die with your country."

The devastation of Hiroshima and Nagasaki by atomic bombs was crucial to me, events that made a genuine difference in my life and outlook. The importance of the bomb grew on me slowly. It was at first only one of the large causes and small that have occupied many of my days. I once saw unions as the likely savior of the country and labored to strengthen their political clout. Intercollegiate football has for half a century seemed to me nonsensical and I besought successive presidents of Dartmouth to get rid of it. I still see racial integration as quite beyond the generosity of white people and a bad joke on blacks and other minorities; I consider racism an ineradicable failure of the American ethos. I complained and wrote about the transformation of education into vocationalism and job marketing. I distrust technology and secret police and have had a good deal to say about both.

I engaged in these disputes at a distance, so to speak, disinterestedly and often ironically. For me they were good and necessary arguments, not obsessive preoccupations. None was a dark ghost that walked with me on almost every errand, as does the prospect of nuclear war.

It is not because I fear death, which isn't far off in any event. It is that I feel an unending anger against the cosmic foolishness and self-righteousness that seem certain to doom the human enterprise.

I must not leave the impression that I am forever steeped in melancholy. I enjoy what I do, as others enjoy golf, playing in string quartets, fixing boats. The dark forces leading toward war make exhilarating if terrifying adversaries.

So I am reconciled to spending the rest of my life in the struggle to avoid nuclear war. The hot near-despair that seldom cools demands my efforts, however insignificant, to see that nuclear arms are never used anywhere for any purpose. But there are still friends and laughter, pictures are painted and music is played, and while such things persist, hope remains. Abba Eban may have voiced the greatest hope of all: "Men and nations do act wisely after they have exhausted all other possible alternatives."

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REVOLUTIONARY NATIONALISM IN ZIMBABWE

By James H. Mittelman

The Struggle for Zimbabwe: The Chimurenga War by David Martin and Phyllis Johnson. New York and London: Monthly Review Press, 1981. 378 pp. $8.95.

Zimbabwe's Inheritance edited by Colin Stoneman. London: Macmillan, 1981. 234 pp.

In a chance encounter in August 1981, the leader of a MONTHLY REVIEW study tour of Zimbabwe and Mozambique, sunning himself alongside a rural road, eyed a white priest bedecked with a helmet, preparing to mount a motorbike. The strangers struck up a conversation. The priest, an ebullient Spaniard, offered to escort the group of 15 Americans to the mission school where he worked.

Asked how education had changed in Zimbabwe since independence, the priest unhesitatingly answered that the mission school is attempting to implement the principles of Paulo Freire, the Brazilian scholar and activist who has prescribed a pedagogy aimed at enabling the oppressed to achieve their own liberation and to overcome the dehumanization and lack of self-esteem instilled

James H. Mittelman, director of the International Studies Program at the City College, City University of New York, led an MR study tour in 1981. His most recent book is *Underdevelopment and the Transition to Socialism: Mozambique and Tanzania* (New York: Academic Press, 1981).

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by the oppressor. Children at the school, mostly orphans as a result of the war, did the only thing possible during the liberation struggle. They ran, hid, and tried to assist the freedom fighters. Having missed three or four years of school, the children are now engaged in a new educational process entailing the restructuring of curriculum and the transformation of the hierarchy among staff and students.

The war was fought in rural areas and the black population felt the brunt of the counterinsurgency campaign. The story of the war and of the fluctuating Zimbabwean political economy is told at two levels in superb books. *The Struggle for Zimbabwe,* by David Martin and Phyllis Johnson, and *Zimbabwe's Inheritance,* by a team of researchers, with Colin Stoneman serving as editor. These are markedly different types of accounts, the one focusing on personalities and political institutions and the other on socio-economic structures and the two works complement each other nicely. Taken together, these books provide a sense of subjectivity and objectivity, the human dimension of the struggle and the material forces, in dialectical interaction.

Martin and Johnson map a political history of the period of December 1972, the time of the shift from sporadic to protracted armed struggle, to April 1980, when Zimbabweans won their independence. The main issue giving rise to the armed struggle was land hunger among the rapidly growing black population. Peasant producers were deprived of their land by the colonial state, especially after the Second World War, with the large influx of white farmers, who cultivated only a tiny portion of the areas reserved for Europeans.

In 1951, when the Native Land Husbandry Act (which reduced Africans' entitlement to land and cattle) was passed, a young herder who was to become a guerrilla, received one shilling in return for a cow which had been a gift from his father. Thereafter, the father repeatedly asked his son whether the shilling had turned into a large sum, and the boy, puzzled by the question, answered that it had not. This procedure continued for weeks until the father explained that the shilling had not expanded in value because Africans were oppressed. Meanwhile, the cow, now the property of the white man, was producing calves and hence wealth, but the shilling would remain a shilling, the father added, for the Act was simply a means to impoverish Africans and enrich Europeans.

In this down-to-earth manner, Martin and Johnson show great compassion and skill in detailing the liberation war. Their

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narrative tells the story with all its ugly warts and without romanticizing armed struggle. The reporters recount the pressganging of young men from the Zimbabwean community in Zambia into guerrilla training, the differences in approaches to warfare among those cadres schooled in Maoist theory and Soviet theory, the feuding and factionalism among nationalists, and the problems arising among politicians in exile who lacked familiarity with changing local conditions.

This tale discloses incidents that are not well known among outside observers. The hostilities between the Zambian government and the Zimbabwean freedom fighters were particularly bitter. The front-line presidents expressed extreme displeasure over the leadership struggles within the Zimbabwe African National Union (ZANU). While in detention in 1974, a majority of ZANU executive committee members suspended Ndabaningi Sithole as leader of the party. This move had not been initiated by, or approved by, the rank and file. When Samora Machel heard the news from Robert Mugabe, who was unknown to him at the time, the president of the Mozambique Liberation Front retorted: "You've had a coup! A coup in Smith's prison. Whose coup is this?" Before being returned to detention in Rhodesia's Que Que prison, Mugabe was advised to proceed constitutionally.

This book is also an account of the unstinting efforts of neighboring states, particularly Mozambique and Tanzania, to help Zimbabweans to liberate themselves, the great sacrifices by rural dwellers, the humane treatment accorded to Rhodesian prisoners of war (as stated by the captured prisoners after their release), and imperialist rivalries: John Vorster's attempt to ditch Ian Smith, the personal animosity between the foreign ministers of South Africa and Rhodesia, and the internal agreement leading to the hyphenated state of Zimbabwe-Rhodesia, which the United States and Britain refused to recognize.

The Struggle for Zimbabwe is a masterly feat of reportage and research. Martin and Johnson have had unique access to the inner workings of a liberation movement and have used their sources to good advantage. They have demonstrated beyond a doubt that neither "tribalism" nor race alone, even under settler colonialism, explains African politics. After all, it was Bishop Abel Muzorewa, seated under a portrait of Cecil Rhodes in the Governor's Lodge in Salisbury (today Harare), who signed the internal agreement and represented the political interests of capital.

But a discussion of the African petty bourgeoisie as such does not enter into Martin's and Johnson's book. They do not provide

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class analysis. Rather, their account is intuitive, while what is at stake are counterintuitive processes.

Whereas it is not the authors' purpose to detail events before 1972—this task is now being performed by local historians—less understandable is their neglect of the role of the urban proletariat in the war. To what extent did urban workers join in the struggle? If they did not or could not actively support the freedom fighters, what are the implications of this for the Zimbabwean revolution?

Much attention is given to the internal conflicts within ZANU but not to the rivalries within the Zimbabwe African People's Union (ZAPU). Even if the authors are on the side of Mugabe, who wrote the preface to the book, one would like a more complete picture of this other element in the struggle for Zimbabwe.

Regrettably, Martin and Johnson did not discuss the constraints of the Lancaster House settlement on the postcolonial political economy. The constitutional limits to nationalism and the legally entrenched power of whites are major features of the terminal colonial period. Even less excusable is the omission of an explicit discussion of the foundations for launching a transition to socialism in Zimbabwe. Nationalism is one thing, socialism another, but the authors do not attempt to unscramble these currents in the history of a revolutionary war.

In short, Martin and Johnson are terrific story tellers; but Marxists, who distinguish between surface appearances and underlying essences and who recognize (as Amilcar Cabral emphasized) that appropriate theory is an indispensable weapon in the African revolution, do and must demand more than story-telling. Then again, maybe I am asking for too much in one book.

The objective of *Zimbabwe's Inheritance* is to provide data on key aspects of the political economy of a country whose immense potential has elicited great interest in the international arena. This study is an attempt to lend perspective for initiating the task of planning development in Zimbabwe. To this end, the contributors to the book analyze political forces and the social structure, education, taxation, agriculture, manufacturing, mining, and foreign trade.

In his investigation of the political landscape, Lionel Cliffe shows how a conventional nationalist party of protest "took on some of the features of an effective *liberation* movement." But in Cliffe's view, what is problematic is whether the postcolonial state will act in the interests of international capital and the black bourgeoisie, while introducing certain reforms, or whether it will make a fundamental break with the past.

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As the subsequent chapters make clear, effecting a rupture with the past is a daunting task and not merely a matter of political will. It would be a mistake to say that the Zimbabwean economy is in the hands of white settlers, for foreign ownership is at about the two thirds levels, South African and British capital being predominant. And contrary to what one sometimes hears about Zimbabwe, an exporter of food and cash crops, manufacturing is the country's largest economic sector, contributing more than the agricultural and mining sectors put together.

Zimbabwe's Inheritance is a vital source of information, an important compendium for understanding the dynamics of a key country in southern Africa. Unlike Martin and Johnson, the contributors to Stoneman's volume do consider the implications of the country's legacy and resource endowment for building socialism. A weakness of this book, however, is that the class categories used by the authors are not spelled out clearly. The chapter entitled "Anatomy of an Unequal Society," written by a sociologist, is strong on statistics but weak on dialectical interplay among competing groups.

Nonetheless, *Zimbabwe's Inheritance* provides considerable insight into the promise and problems of socialism in Zimbabwe. Nature's bounty has blessed the country with large tracts of arable land—much of it is still uncultivated—and a wide range of mineral resources, including gold, asbestos, nickel, copper, chromium, and coal. The economy is balanced and diversified. A sizable basic iron and steel industry, fueled by local raw materials, is linked to a substantial mechanical-engineering industry integrated with other industrial sectors. Politically, there is a determined leadership organically connected to a mass base with a longstanding tradition of redressing local grievances.

But the obstacles to a socialist transition are formidable. A landlocked country, Zimbabwe is dependent on South African outlets to the sea, at least until the ports in Mozambique and Angola and the Tanzania-Zambia Railway are serviceable. Zimbabwe's economy, following South Africa's, has the second highest industrial output in sub-Saharan Africa. An economic hemorrhage caused by a precipitous withdrawal of skilled white labor could sap political support from a ruling coalition that recently dumped a major figure, Joshua Nkomo, and a handful of his associates.

It is not only ZAPU members who are disgruntled, but also ZANU's grass-roots supporters are demanding the fruits of victory. In the 1960s and 1970s, organizing cadres appealed to the popular classes to do battle to reclaim the land that had belonged

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to their ancestors. Now the freedom fighters—some of them are demobilized and others are not—want to know to whom the land belongs. To those who spilled blood to liberate it? Or to those who flushed the rightful owners off it?

Zimbabwe's Inheritance explains why the Mugabe government must go slow on land redistribution. The constitution agreed to at Lancaster House safeguards white privilege and capital for 10 years. Moreover, repudiating foreign ownership of key sectors of the economy, including agriculture, and foreign debt (i.e., the loans that financed the war in violation of mandatory sanctions) would cause grave problems for Zimbabwe in international markets and risk South African intervention.

Given these constraints, how much freedom to maneuver is there? Seemingly, the options are either economic dependence, for which political independence offers only a smidgen of psychological compensation, and a few crumbs for a local bourgeoisie, or a head-on clash with international capital. Seen this way however, the alternatives are too polarized. What is needed are new forms and novel solutions like the proposals put forward by Stoneman and other researchers. They suggest allowing present managers and farmers a transition period to transform their enterprise into a worker-managed cooperative, after which they could either be employed there in a technical capacity or depart with compensation based on criteria for assessing their performance during the transition.

The problems are structural in all sectors and will not go away with the ending of racism. It is not enough to incorporate Africans into the present system, for that will only reproduce inequalities. The question of social reproduction in good part centers on education, where excellence must be a priority, but excellence for whom? The overriding need in the schools, as the chapter on education in Stoneman's volume rightly indicates, is to meld the curriculum and productive activity. This theme is an integral part of Freire's pedagogy of the oppressed, one step on the way to liberation, which is "a childbirth and a painful one." Oppression, Freire holds, must be perceived "not as a closed world from which there is no exit, but as a limiting situation which they, [the oppressed] can transform."

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HISTORY IN THE GRAND MANNER

By Peter Worsley

Global Rift: The Third World Comes of Age, by L. S. Stavrianos. New York: Morrow, 1981. 890 pp., $25; paperback $15.50.

I have yet to read a review of this remarkable book. In part this may be due to its sheer size: 814 pages of text spanning the entire epoch, continent by continent and country by country, bebetween the rise of capitalism in Western Europe and the transformation of Eastern Europe into an underdeveloped supplier of food and raw materials through to the final consolidation of a worldwide colonial system in the nineteenth century, the beginnings of revolt against imperialism, and the emergence of an alternative Second World, ending right in our own times. Little wonder that the book has taken a lifetime of research and five years to write. It is a staggering achievement and, at present, definitive.

"The will to exclude," Stavrianos writes, "is the prerequisite for an historical study encompassing over half a millennium and most of the globe." Yet the amazing thing is just how much he has included, without, however, ever causing us to lose sight of the central theme: the successive integration of different parts of the world into the capitalist world-system, which he classifies into "central," "peripheral," and "external" regions—using the concepts developed by Immanuel Wallerstein without falling into the latter's more dubious theoretical extravagances.*

Peter Worsley is a professor of sociology at the University of Manchester.

* See my "One World in Three? A Critique of the World System Theory of Immanuel Wallerstein," *Socialist Register 1980*, Ralph Miliband and John Saville, eds. (London: Merlin Press, 1980; New York: MR Press.)

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Stavrianos periodizes the history of the Third World into four phases. Part I covers the phase of commercial capitalism, from 1400 to 1770, during which first Eastern Europe and then Latin America experienced the "development of underdevelopment"; Part II, the period of industrial capitalism during which the system spread across the globe (1770-1870); Part III, its consolidation during the epoch of monopoly capitalism (1870-1914).

"Primary" resistance to the establishment of colonialism and imperialism was followed, after conquest by backward-looking nationalist revolts (notably the Indian Mutiny), then by "modernizing" nationalist anti-imperialism at the turn of the century. With the October Revolution in Russia, a new wave of anti-imperialism infused with a radical social content spread across the colonial world, though it was effectively held in check until after the Second World War when a second wave of revolutions, some nationalist, some Communist, some both, led to the dismantling of formal colonialism, with the liberation of China in 1949 as the major breakthrough.

The first component of what was to become known as the Third World was thus a part, not of Asia, Africa, or Latin America, but of Europe (though Perry Anderson has queried the extent to which the retrogression of Eastern Europe can be directly attributed to the economic domination of the West). Outside Europe, the major consequences of Spanish and Portuguese conquests in the New World were the devastation of Meso-America, the Caribbean, and the Andes in the drive to maximize the production of gold and silver, and later, the development of sugar plantations based on slave labor. Spanish bullion, however, inevitably ended up in the hands of the more developed capitalist powers of northern Europe, notably England, since it was these countries which supplied the bulk of the manufactures imported into Latin America.

For Africa the consequences of this intercontinental "triangular" trade were the rise of new, militarized states specializing as producers of slaves via raids on other peoples or acting as intermediaries between the producer-states and their European customers. In the four centuries after Columbus, 48 million human beings were captured and traded in West Africa alone; three quarters of them died enroute.

Asia was another matter. Up to the eighteenth century, the mighty Ottoman Empire, with 50 million subjects, was still more than a match for a country like England, with a mere five million. Yet by 1498, Vasco da Gama, led by the Arab pilot Ahmad-Ibn-Madjid, had already "discovered" the Cape route to the East. From

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then on, the historic trade-routes between Asia and the West centered upon the Eastern Mediterranean were to be bypassed. Only a century after da Gama, Asian spices were reaching the Middle East from Northwestern Europe by the new route around the Cape, and the decline of cities like Cairo had begun. Though the Portuguese were first in the field and tried to keep the wealth of the Indies under their control (e.g., by keeping their maps of the sea routes top secret), and despite the vaunting ambition of the Spaniards who thought that 5,000 of them could take China as readily as they had conquered the Aztecs and the Incas—or even raid Mecca and seize the Prophet's body—Portugal and Spain were themselves to be eclipsed by Holland and England. In the latter countries capitalism was no longer solely a way of organizing trade but was now bringing about the transformation of agricultural and industrial production.

Yet in the Far East, Europeans despite their military strength remained confined to a string of coastal forts, mere intermediaries in a vast network of intra-Asia trade, right up to the nineteenth century. Ottoman superiority seemed self-evident to the Grand Vizier in 1666: news of the alliance between France and Austria was of as much interest to him, he said, as "the union of one hogge with another." Chinese superiority still seemed self-evident to Emperor Ch'ien Lung over a century later. Yet they were both wrong. Europe was to develop manufactures far superior to those of Asia. Spices, the luxury item which had been the staple of trade for centuries, were soon to be displaced by textiles, tea, and coffee, for which there was now a mass demand in the West.

The economic victory of the West, however, did not come about through market competition. One of the most valuable contributions of this book is the story of the frustration of attempts by African rulers to introduce Western technology into their countries, going back as far as 1520 in Ethiopia and the eighteenth century in West Africa. In the nineteenth century, Turkey's attempt to establish a "Turkish Manchester and Leeds" was blocked by Western interests, and Mohammed Ali's effort to modernize Egypt was smashed by Palmerston's brutal intervention. But elsewhere traditional Asian industry remained competitive (notably Indian textiles), until British conquest made possible the dismantling of indigenous industry, the creation of a massive national debt, and the agriculturalization of the economy. In 1891, 61 percent of the population of India worked in agriculture; by 1921, 73 percent.

Naturally, the revolt against colonialism began earliest in those countries longest subjected to it: with the American Revolu-

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tion and the independence struggles in Hispanic America. By 1894 the ex-colonial United States had become the Number One industrial power (and Japan, the only Asian country to escape colonization or semi-colonialism, is today Number Three). But the revolution in Haiti—a dangerous *black* revolution—which both Britain and France had failed to crush militarily, was to be strangled by international economic action, Jefferson's trade embargo of 1806 being the predecessor of the blockade imposed on Cuba after 1959.

In the advanced countries, according to Stavrianos, prosperity "trickled down" to the working class: real wages in France and Britain doubled between 1850 and the Second World War. A second Industrial Revolution, based on the systematic application of science to industry, provided the technological underpinnings for a new phase of monopoly capitalism culminating in global imperialism. By 1885 the last great continent, Africa, had been parceled out.

No sooner had the system been consolidated than revolt against imperialism began to assume global proportions. Stavrianos, however, is sharply critical of the "inadequacies of theory and practice" of peasant and nationalist revolutions, whether the Mexican Revolution of 1910 or the republican movement led by Sun Yat-sen in China.

With Part IV we arrive at the twentieth century. The discussion of Marx's fear that socialism might be established first in the older centers of capitalism (Europe), but then find itself threatened by dynamic new capitalisms of the colonial world, is interesting, if only because the exact opposite happened. What might have been better discussed is the wider "Warren thesis" which insists that Marx was right: that capitalist development *is* taking place in the Third World, albeit at different rates, rather than the "development of underdevelopment."* Plainly, Stavrianos would reject Warren's argument, pointing as he does to the deteriorating terms of trade between North and South, the increasing and massive indebtedness of even the "newly industrializing" countries, and the power of the multinational corporations, which outstrip in the scale of their operations most juridically independent countries.

This book is not yet another "metatheoretical" discussion of theory about theory. It is history in the grandest possible manner, where theoretical categories are used only to bring order into a gigantic mass of data. In this it succeeds brilliantly. Stavrianos is strongest on economic analysis. In dealing with social institutions such as the Hindu caste system or the nature of nationalism, he is

* Bill Warren, *Imperialism: Pioneer of Capitalism* (London: New Left Books, 1980).

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sometimes less satisfactory. For all that, the book is a masterpiece of scholarship and synthesis, impressive in its range, its detail, and its clarity. Whole countries and periods are summed up in a few trenchant pages. Since it is the subject of so many illusions, particularly in the United States, the passages on the origins of Zionism—on the contradiction between its public rhetoric and its actual practice, and on its connections from the beginning (long before the Holocaust) with Western imperialism and capitalism, leading to the defeat of its "binationalist" and socialist rivals—provide the necessary background to the emergence of Israel as the major bastion of counter-revolution in the Middle East. (Though he is equally caustic about the Arab oil states, and equally somber about the threats to world peace represented by U.S. dependence upon the oil of the Gulf and the minerals of South Africa.)

If some countries, inevitably, only enter occasionally, we can readily see where they would fit within Stavrianos' argument, and most of the really significant episodes in Third World history are, in fact, here. He is a writer with the happy ability to pick out just the apt quotation, the telling statistic, the illuminating anecdote. For me, this is going to be a basic handbook; for the general reader, it will surely become the major guide to the history of the Third World, and—unusually—one which can be read with pleasure.

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(*Continued from inside front cover*)

We have mixed feelings about the large volume of correspondence we regularly receive from readers of MR and MR Press books. On the one hand, we are gratified that so many of you have the interest and take the time to communicate ideas, queries, and criticisms. On the other hand, we very much regret that we lack the resources (time, energy, secretarial help) to respond in a consistent and systematic way. We try to acknowledge all serious communications and to answer when we think we have something of possible interest to say in a relatively brief compass. We recognize, however, that this is not much of a guideline and that its application inevitably yields uneven and often unsatisfactory results. We can only apologize and beg your indulgence. In many respects it is a simple fact that over the years MR has outgrown its resource base, and that unless or until the political climate of the country turns more favorable for the left this situation is likely to get worse rather than better.

On the subject of correspondence, quite a few of you write letters which you would like to have published in the magazine. Unfortunately, we lack the space for a regular correspondence section and so cannot undertake to run everything that might be of possible interest to readers. In these circumstances the selection of letters for publication depends primarily on two circumstances: (1) space that needs to be filled with relatively short items in making up a given issue; and (2) criticism or clarification of articles or reviews that have already appeared in the magazine. Even within this framework, however, there is bound to be more than a little of the arbitrary in the choices made.

In editing manuscripts for the printer, we find that some writers regularly make easily correctible mistakes. One of the most frequent of these concerns confusing singular and plural in the use of such words as phenomenon (sing.)-phenomena (pl.), medium (sing.)-media (pl.), datum (sing.)-data (pl.), etc. One of us remembers being lectured very severely by the instructor in the first session of an elementary statistics course on this subject. "Data *are*," he proclaimed with all due emphasis. To judge from the absence of subsequent reference to the subject, one could fairly conclude that no one in the class ever forgot it. On other matters of spelling and style, we recommend that writers of material to be submitted to MR consult the *Chicago Style Manual,* published by the University of Chicago Press and available in most library reference collections.

A house-warming party to celebrate our move into new quarters was attended by well over 100 subscribers on December 9th (the "ninth before Christmas," as the invitation put it). At least we hope all of them were subscribers; and if any of them were not but still see this note, we trust that they will promptly sign up.

Doris Kitson, whose comment on "The Fall of Michael Manley" appeared in the October issue of MR, asks us to mention that an expanded version of her piece has appeared in the Autumn 1982 issue of *Race and Class* (vol. 24, no. 2).

A new Center for Iranian Research and Analysis has been established (P.O. Box 53126, Temple Heights Station, Washington, DC 20009). It describes itself as "an independent, democratic, nonprofit organization, created for the better understanding of the struggle for liberation in Iran and the region surrounding it. The Center is composed of scholars and activists dedicated to the critical study and progressive transformation of the Iranian society and the external sources which impact on it." The Center welcomes inquiries and invites support. Write to the above address or to our friend Professor Hassan Zavareei, P.O. Box 202, Page, WV 25152.

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Hawaii

Islands Under the Influence

by Noel J. Kent

The literature about Hawaii has long celebrated these islands as a unique American success story. The dominant assumption has been that post-World War II Hawaii made the transformation from an oppressive colonial backwater where King Sugar and the Big Five companies ruled supreme to an ultra-modern and diversified fiftieth state of the union. This "celebration of Hawaii" views the incredibly rapid development of the 1950s and 1960s as a glorious vindication of capitalist programming and offers the Islands as a model for the developing nations throughout the Pacific.

In this clearly written book, Noel Kent makes a striking break with this perspective, and at the same time gives us a fascinating and detailed history. He argues that from its first contact with the outside world, Hawaii became a peripheral society, its economy molded by the dominant metropolitan power of the period. He demonstrates this as he traces the various stages of economic development, from the sandalwood, whaling, and plantation eras into the present-day tourist era. He shows how with tourism this drama of dependency has been carried to its logical conclusion, with local Hawaiian elites becoming mere appendages of international capital, located in Los Angeles, Chicago, Tokyo, and Vancouver.

Noel J. Kent was born in New York City and graduated from the University of Wisconsin in 1965. He has lived in Hawaii for many years, and received his Ph.D. from the University of Hawaii in 1979. He teaches in the University's Ethnic Studies Program.

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